

PROPERTY AND FINANCIAL PROFESSIONAL SERVICES FRAMEWORK

APPOINTMENT OF CONSULTANT

INSTRUCTION

Date	23 rd June 2023	The District Council of Folkestone and Hythe Reference Number	DN633532 To be quoted on all correspondence relating to this Instruction
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The Consultant entered into a contract dated **27 February 2023** with Homes England whereby it was appointed as a consultant on the Property and Financial Professional Services Framework (the "Framework Contract").

The District Council of Folkestone and Hythe is a Public Sector Body under the Framework Contract.

The Public Sector Body and the Consultant acknowledge and agree that this document is to be treated as an "Instruction" from the Public Sector Body under and for the purposes of the Framework Contract.

The Consultant agrees to supply to the Public Sector Body the Services specified below on and subject to the terms and conditions of this Instruction and the Framework Contract.

Unless otherwise defined in this Instruction, terms used in this Instruction shall have the meaning given to them in the Framework Contract.

The Employer

The District Council of Folkestone and Hythe is the Public Sector Body.

In so far as they relate to the appointment of the Consultant to provide the Services all references to Homes England in the Framework Contract shall also be deemed to be references to the Public Sector Body for the purposes of the Instructions and the Framework Contract.

PUBLIC SECTOR BODY DETAILS

Public Sector Body	The District Council of Folkestone and Hythe
Public Sector Body's Address	Civic Centre, Castle Hill Avenue, Folkestone, Kent CT20 2QY
Invoice Address	invoices@folkestone-hythe.gov.uk or Civic Centre, Castle Hill Avenue, Folkestone, Kent CT20 2QY
Contact:	Name: [REDACTED], Director of Place Address: Civic Centre, Castle Hill Avenue, Folkestone, Kent CT20 2QY Phone: [REDACTED] e-mail: [REDACTED]

CONSULTANT DETAILS

Consultant	Gerald Eve LLP ("Consultant")
Consultant's Address	One Fitzroy, 6 Mortimer Street, London, W1T 3JJ
Contact:	Name: [REDACTED] Address: One Fitzroy, 6 Mortimer Street, London, W1T 3JJ Phone: [REDACTED] e-mail: [REDACTED]

1. INSTRUCTION PERIOD

(1.1) Commencement Date

This Instruction shall commence on 22 June 2023

(1.2) Instruction Period

12 months (with the option to extend dependent on when the land is drawn down).

2. SERVICES REQUIREMENTS

The following Services shall be provided:

valuation advice regarding the Otterpool Park Garden Town Project as fully described in Appendix A “Brief” and Appendix B “Consultant’s Tender”.

3. DELIVERABLES

The following outcomes will be delivered:

A valuation report as detailed in section 3 of Appendix A “Brief” and additional services as described in Appendix A “Brief” and Appendix B “Consultant’s Tender”.

4. RESOURCES

(4.1) Staff of the Consultant to be involved in the provision of the Services

The people who will deliver the Services are detailed in the Price Schedule of Appendix B “Consultant’s Tender”.

(4.2) Resource Schedule

A resource schedule is detailed in the Price Schedule of Appendix B “Consultant’s Tender”.

(4.2) Sub-contractors to be involved in the provision of the Services

None.

(See clause 33 of the Framework Contract)

5. PROGRAMME

The Services will be delivered in accordance with the programme detailed in the Price Schedule of Appendix B “Consultant’s Tender”.

6. FEE

(6.1) LUMP SUM FIXED

In relation to initial valuation report, the sum of £22,650 shall be due to the Consultant on completion of the report, as detailed in in the Price Schedule of Appendix B “Consultant’s Tender”, and within 30 days of receipt of a correct invoice.

(6.2) FEE PROPOSAL

In relation to any additional instructions as described in Appendix A “Brief” the Consultant shall submit an invoice to the Public Sector Body using the following daily rates:

ACTIVITY please list the activities required to meet this commission (optional)	RESOURCE please add the name of the person carrying out the activity	GRADE / JOB TITLE	DAILY RATE (£)
Additional work listed in brief or as required by the client.		Partner (Lead)	
		Partner	
		Partner	
		Partnert	
		Senior Associate	
		Senior Surveyor	

7. INSURANCE AND LIABILITY

Insurance requirements and Consultant liability levels in relation to this instruction shall be as set out in the Framework Contract unless different requirements are specified below:

Limit of Liability

The Consultant’s total liability to the Public Sector Body for all matters arising under or in connection with this instruction, other than the unlimited matters referred to in clause [39] of the Framework Contract, is limited to £2,000,000 (two million pounds) for each and every claim.

Insurance

Insurance for a sum of not less than:-

£2m (two million pounds) Professional Indemnity

£5m (five million pounds) Public Liability

£5m (five million pounds) Employer Liability

in respect of each and every claim.

save in respect of claims relating to contamination, pollution, date recognition and asbestos, which with respect to Professional Indemnity shall be limited to £2 million in aggregate.

8. INVOICING AND PAYMENT

Invoices in respect of the Instruction will only be processed for payment where:

- (a) they are for the current Instruction;
- (b) the purchase order number and Reference Number are quoted on the invoice;
- (c) invoiced in accordance with Schedule 2 of the Framework Contract; and
- (d) the invoice is addressed to Public Sector Body.

Payment will be made to the Consultant by the Public Sector Body.

BY SIGNING AND RETURNING THIS INSTRUCTION THE CONSULTANT AGREES it is entering into a legally binding contract for the Consultant's appointment (the "Consultant Appointment Contract") with the Public Sector Body to provide the Services. The Consultant Appointment Contract incorporates and is subject to all of the terms and conditions contained in the Framework Contract as may be varied and/or amended by the other provisions of this Instruction. If there is any inconsistency between any of the provisions of this Instruction and the provisions of the Framework Contract, the provisions of this Instruction shall prevail).

The Consultant and the Public Sector Body hereby acknowledge and agree that they have read this Instruction and the Framework Contract and by signing below agree to be bound by the terms of this Consultant Appointment Contract **as a Deed** from the date appearing at the start of this Instruction.

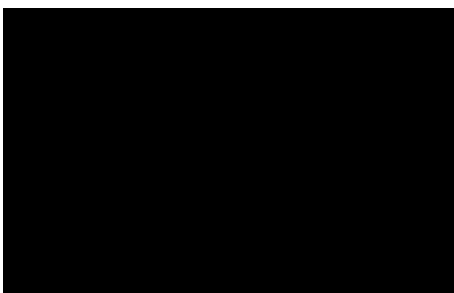
For and on behalf of the Consultant:

Name and Title	
Signature	

Name and Title	[Redacted]
Signature	

**THE COMMON SEAL of
THE DISTRICT COUNCIL OF
FOLKESTONE AND HYTHE**

was hereunto affixed in the
presence of:



9887

APPENDIX A

BRIEF

Brief for Valuation Advice on behalf of Folkestone & Hythe District Council (FHDC) regarding the Otterpool Park Garden Town Project

FHDC seeks valuation and land transfer advice on a number of related matters for the Otterpool Park Garden Town Project ahead of key decisions and land transfers anticipated in 2023.

1. Background

Otterpool Park – Governance & Structure

Folkestone and Hythe District Council established a delivery vehicle Otterpool Park LLP in early 2020 with the principal objective of acting as master developer for the delivery of a garden town settlement to be known as Otterpool Park.

As the master developer the LLP will take responsibility for obtaining planning permission and other consents and for the delivery of key infrastructure (e.g. utilities, community infrastructure and highways) for the project. The LLP will also carry out feasibility studies to determine market need. The LLP will be responsible for the marketing of fully serviced land parcels to housebuilders and commercial developers, facilitating the creation of high-quality places.

It is anticipated the LLP may have a continuing role through subsidiaries (yet to be established) in developing the physical and social development of the settlement including the ongoing management of community infrastructure. It is not currently anticipated that the LLP will develop land itself. The LLP is expected to deliver value to its partner members through its facilitation of the development.

Otterpool Park LLP has two member partners, Folkestone & Hythe District Council and Otterpool Park Development Company Ltd (100% owned by Folkestone & Hythe District Council).

A Members' Agreement between the Council, the Limited Company and the LLP is the governing document of the LLP. The Members' Agreement sets out the objective of the LLP as:-

“To ensure that the Otterpool Park Garden Town, a settlement that will in time consist of 10,000 dwellings is delivered in accordance with the business plan approved from time to time including but without prejudice to the generality of the foregoing generating the required commercial return to the Members.”

The Members' Agreement also contains the delegation matrix which sets out those matters which need the approval of the Council and are not within the authority of the LLP to make a decision on.

The structure will enable new partners to join the LLP; a decision on whether to and on what terms would rest with the existing members. At present it is the Council's intention that it would retain the majority “share” in the LLP. Any new partner could come from the private or public sector. It is likely that the FHDC would expect that any new potential partner would bring substantial funding with them.

The governing body of the LLP is a board of nominees or directors. The present board comprises seven people six of whom are appointed by the Council and one by the Limited Company. One of the directors has been appointed as the chairman of the board. The Members of the LLP meet at least quarterly to discuss the affairs of the LLP and the progress towards achieving the objectives in the business plan.

Otterpool Park – Background

Otterpool Park is a unique opportunity to meet the challenge of housing need in Folkestone and Hythe through a properly planned new garden community set in rich countryside. It is ideally located to take advantage of excellent existing connections by road and rail.

In 2015 Folkestone & Hythe District Council (the Council) bought 144 ha of agricultural land at Otterpool Manor Farm as a long term investment for future development. Shortly after this the government announced its Garden Cities, Towns and Villages programme, which provided the stimulus for the Council to advance its ambitions for development and form a partnership with its neighbouring landowner Cozumel Estates Limited, the owner of Folkestone racecourse. A proposal for a new town of up to 10,000 homes and thousands of new jobs, all in a green setting with 50% green space, was born.

The bid to government for garden community status was successful, and the project continues to be supported by politicians at national, county and district level. The project has attracted £3.4 million of capacity funding from government to support FHDC's work to date.

The Council has continued to acquire properties and land options, including Westenhanger Castle, a Scheduled Ancient Monument and Listed Building within the site. Homes England, the government's housing agency, has also invested in land at Otterpool Park to support the proposals.

Work began in 2016 on a masterplan for the area, led by consultants Arcadis and masterplanners Farrells, resulting in an outline planning application submitted in February 2019. The plans were guided by a set of principles that were agreed at the outset, based on the Garden City Principles. These principles were explored in more detail in the Charter for Otterpool Park, adopted by the Council in 2017. (Cabinet meeting 18 October 2017 minute 48).

In parallel the Council as the local planning authority was reviewing its Core Strategy, and after a capacity analysis of the district concluded that this location was the only viable area for significant growth to meet escalating housing need. It recognised the sensitivity of the landscape – within the setting of the Area of Outstanding Natural Beauty (AONB) and views from the North Downs – and the impact on existing neighbouring communities. In many respects this has been a positive challenge to create a proposal that is landscape led, creates green space accessible to new and existing residents and attractive townscape views through well designed streets and buildings.

The masterplan also brings new life to heritage assets including Westenhanger Castle and offers biodiversity net gain. The Council has recently been notified by the Planning Inspectorate that the Core Strategy (which incorporates the intentions for Otterpool Park) has been found sound, and the Strategy was adopted by Full Council in March 2022.

Otterpool Park – Financial Case

Although not the primary reason, one of the reasons for FHDC embarking on the Otterpool Park project was to generate a return and thereby improve its overall financial position. The decision was taken in anticipation of the Government reducing

its annual support grant to the Council and with an aspiration of making FHDC more financially independent.

Initial land purchase costs were justified on the basis that in the long-term there would be benefits to residents across the district. The aspiration is for FHDC to benefit from capital receipts in the middle and long-term and to explore the scope for generating sustainable revenue streams.

The capital receipts will result from the selling of serviced plots to housebuilders. Some receipts will be reinvested in the project, and some will be payments to the Council, to enable the repayment of loans to the company and to support improved Council services. Further capital receipts could be generated if the Council wanted to directly develop land for housing or commercial uses.

The revenue receipts could arise from a range of sources which may include:

- Income from land and/or buildings through the payment of rent (residential and commercial). The Council could retain the freehold interest in parts of the site and achieve ground rents or it could potentially construct commercial buildings to let.
- The provision of services to the LLP e.g. grounds maintenance.

The Members' Agreement sets out the requirements for the LLP to have a Business Plan. The Business Plan will have a five-year duration with annual updates. The Business Plan and its updates will be approved by the Board for submission to the Council in December / January of each year. This will enable any budgetary implications to be considered by the Council for inclusion in the budget for the subsequent financial year.

In the first approved Business Plan agreed in January 2021, profit was projected to be £193m over the lifetime of the project, with the project breaking even in the first 10 years. The pace and timing of these returns will be dependent upon a few decisions around infrastructure and funding to ensure that peak debt does not exceed the £75m working capital budget.

Since approval of the initial Business Plan, time has been spent validating, aligning and refining the magnitude and the timing of cashflows. Key to this has been the move to have custom built financial appraisals developed by the team, to enable Management to forecast the impact of various scenarios. As a consequence, Management now have greater confidence in the forecasted cashflows. Having carried out this work the headline return has been reviewed and a profit of £240m - £270m is projected over the life of the scheme development and this position was reported to the Board, Owners and Cabinet (of the Council) in late 2021/ early 2022.

Otterpool Park - Current Agreements

As outlined above the primary governing document of the LLP is the Members' Agreement. In addition to the Members' Agreement a Strategic Land Agreement (SLA) has been developed and will shortly be adopted by both parties.

The project has a long life (circa 30 years), so the guiding documents need to be flexible to reflect the evolving and unique nature of this project.

The Council is in the unusual position of owning or having options on all the major sites of land required to be assembled for the delivery of the Garden Town.

The SLA provides the LLP with a call option over the Council's land interests at Otterpool Park. The SLA is flexible on:

- Timing – in terms of its overall duration and when the call options are exercised during that contractual term;
- Subject matter – in relation to which one or more land interests (in whole or in part) the call option is exercised by the LLP at any one time;
- Outcome – in terms of what the LLP exercising its call option in relation to one or more land interests results in – i.e. that could be a land transfer to the LLP or a transfer to another 3rd party nominated by the LLP (e.g. a house builder); and
- Payment – in terms of both the nature of the consideration and when it is payable (e.g. is it deferred?).

Where the LLP acquires one or more land interests from the Council under the SLA, it will fund those acquisitions either (i) pursuant to a debt facility from the Council or from another third party lender, or (ii) the land interest(s) could be transferred in consideration of loan notes from its Members (Owners) (at the value of the land interest(s) in question) being issued by the LLP to the Council. Subsequent transfers of land pursuant to the LLP exercising its call options under the SLA will be subject to the satisfaction of certain pre-conditions – e.g. planning permission, viability, funding, site/phase business plans.

Before the Council transfers land, it will have to be satisfied that it should do so. The LLP will prepare, for each phase or sub – phase, a Phase Delivery Strategy.

Each Phase Delivery Strategy will be approved by the Board before submission to the Council for approval. Each strategy will address the following areas:

- A summary review of the phase demonstrating that it can be delivered in accordance with the Business Plan. This summary will include, where relevant, the strategic and planning context of the site, a description of the proposed development, design, accommodation, and planning risk
- An identification of the infrastructure requirements
- The funding requirements and strategy
- How the various land sites within the phase or sub - phase will be dealt with
- The site conditions
- A commercial appraisal
- Risk register
- Action plan

The first Phase Delivery Strategy is currently in development related to Phase 1 of the scheme and is anticipated to be considered in early 2023 by the Board and Council.

Otterpool Park – Long Term Governance & Stewardship

The Council has agreed its principles for the long – term governance and stewardship of community assets. Since the approval of the Business Plan, further work has been undertaken on the long – term governance and stewardship of

community assets. However, the Council still needs to make some significant decisions regarding stewardship and governance which are outlined below:

- **Proposed Form of the Governance Body**
The Board of the LLP have agreed in principle to form another limited liability partnership to be the Stewardship Vehicle. This will not preclude a change to a different form of Governance Body at a later stage, perhaps being reconstituted as a charity or its functions taken over by a future town council for the area. There are, however, reasons for this formation initially being to simplify relationships and ensure quality control. The structure of the Governance Body will ensure that the community can have a say in its decisions and the way it operates.
- **Community Assets** The Council will need to confirm the Community Assets that will be transferred to the Governance Body in phase 1 of the development and, as importantly, identify those assets that will require separate treatment.
- **Funding** The Governance Body will be funded, by rent and service charges paid for by the residents and commercial operators of the development as well as from other income generating assets, for example from car parks. These matters are subject to agreement by the Cabinet.

2. Delivering Otterpool Park

The Council has made significant progress in developing the project to date but is now seeking advice on several important valuation matters to progress the project to the next stage.

The LLP have their own consultant team and it will be essential that the Council's team work constructively with their team. In some areas the work required will be independent validation rather than the development of separate work.

The key developments that the Council requires advice on are:

Homes England (HE) proposal

The Land Acquisition Team at Homes England have approached the LLP and Council to discuss taking a significant land ownership role in the project. Draft Head of Terms are currently being developed for this proposal by HE, but it is likely that it will propose HE take a stake in the project of around 28%.

HE already own a small area of the Otterpool site and they would be looking to add to this through the Council exercising some key land options now. The Council would benefit from HE sector expertise, the capital receipt and contributions towards key infrastructure. This could enable the acceleration of key infrastructure on the site and minimise the risk to the Council as well as peak debt.

The agreement is likely to take the form of a collaboration agreement rather than a Joint Venture and the collaboration agreement is expected to have an equalisation clause within it, and the Council will require valuation advice (as well as financial & taxation advice through a separate tender) on the proposals being made to them.

Stewardship Vehicle

As outlined above the Council has agreed the broad principles of a Stewardship vehicle but still has several key decisions to take regarding the funding structure, which community assets transfer into the vehicle and the implications as well as the form of the vehicle itself. The Council will require support in assessing the proposed land transfers into the proposed vehicle and the mechanisms for valuing them.

Joint Venture with Places for People

The LLP recently secured offers for the land parcels related to Phase 1 of the site (around 2,000 homes). One of the offers from a strategic housebuilder is a Joint venture with Places for People. The Council will require valuation advice on the implications of the LLP entering this arrangement as well as support with appropriate due diligence (alongside our financial advisors).

Strategic Land Agreement (SLA) & Phase Delivery Strategy (PDS)

The Strategic Land Agreement was recently agreed, and the Phase Delivery Strategy will be developed over the latter part of 2022. The PDS is the final key agreement between the Council and the LLP to enable the delivery of the site. The SLA governs the mechanisms for transfer of land between the parties and onto housebuilders. The Council will require valuation advice regarding the transfer of land at the appropriate time. The land transfer may occur in a single transaction or may be multiple transactions.

The work brief must be prepared in parallel with and take account of the work being undertaken by the consultant teams engaged on giving advice on the legal, financial and tax aspects of the development. The successful consultant is expected to work collaboratively with other consultants and provide advice that is consistent with their work. Further details will be provided to the successful bidder. The Client is defined in section 5 of this brief but will lead by the Director of Corporate Services at FHDC.

3. Brief: Outputs

Within 4 weeks of inception, the consultant will produce a draft report for the Client (see section 5) containing advice on the lines of enquiry listed in section 4. The final report will be presented within 6 weeks of inception. It is anticipated that the specific valuation work when land is drawn down outlined in section 4 does not form part of this timeframe and instead is provided within the timescales agreed at the time of request.

The consultant is expected to provide regular updates to the Council client team as required.

An inception meeting will be held at the start of the contract between the consultant(s) and the Client. The Client will also hold an engagement meeting with relevant officers within the LLP and make arrangements for contact with their engaged consultants.

4. Brief: Advice

Advice is sought on the following points on behalf & from the perspective of the Council:

Homes England proposal

1. To review the draft Heads of Terms and provide technical property and valuation advice on the proposal made by Homes England to the Council.
2. To review the proposed financial contribution offered by Homes England to establish (working alongside our financial advisors) if it represents good value to the Council.

Stewardship Vehicle

1. To provide valuation advice on the assets proposed to be included within the Stewardship vehicle.

Places for People Joint Venture

1. To review the draft Heads of Terms and provide technical property and valuation advice on the proposals outlined within them and the implications for the Council.
2. To review the proposed financial consideration and establish (working alongside the financial advisors) if it represents good value to the Council.
3. To work alongside the LLP and their consultant team to review the due diligence undertaken and undertake appropriate supplementary due diligence on behalf of the council in liaison with the Council's financial advisors.
4. To undertake a full RICS valuation on the land proposed to be transferred to the JV.

Strategic Land Agreement (SLA) and Phase Delivery Strategy (PDS)

1. To provide technical property and valuation advice on the proposed implications of the options for land transfer governed by the Strategic Land Agreement.
2. To provide technical property and valuation advice on the optimum treatment for the land that will ultimately be utilised by the Council (primarily for Civic buildings and social housing for the Housing Revenue Account).
3. To review the model provide by the LLP in respect of the Phase Delivery Strategy to provide assurance to the Council of its robustness.

Other Valuation Advice

1. To undertake full RICS valuations for all the proposed land disposals to House Builders for Phase 1 of the development.
2. In summary the brief requires valuations for:
 - i. Valuation for secured lending (including land subject to disposal covered by loan notes)
 - ii. Valuation for financial reporting

- iii. Valuation for site acquisition & disposal

5. Specification for Consultants

The Client

The Director of Corporate Services alongside the finance section at the Council will oversee this contract and act for the client. Additionally, the Director of Place will also act as a key element of the client side team.

The brief outlined above represents the initial scope of this work. It is anticipated that further work on behalf of the client may be required beyond the scope of this initial brief, however this cannot be specified or quantified at this time. Tenders are therefore asked to incorporate a schedule of rates for appropriate disciplines for up to an additional 20 days.

Within this period of additional support, the consultant may be required to attend Cabinet and/or Council meetings and/or meet with the LLP which may include attendance at evening meetings.

The successful consultant(s) will be expected to fully address the capacity outlined in this brief and adopt a flexible approach to both remote working and regular meetings with the Client.

Payment

The consultant will be paid a fixed fee sum on completion of the report. The Council will make the payment to the consultancy within 30 days of receipt of a correct invoice.

If further advice is instructed by the Council, monthly invoices will be submitted by the consultancy to the Council for payment.

The consultant must advise in advance of any costs incurred beyond the originally agreed scope, including those related to the 20 days noted in the above section.

Incidental fees and expenses (travel and subsistence) will be included within the agreed day/hourly rate. Additional expenses will only be approved if agreed in advance and only where they are in line with Council policies.

Date Received	No.	Question	Response
26 Sep '22	1	<p>Throughout the brief you refer to 'technical property and valuation advice'.</p> <p>Please can you explain further what you mean by technical property advice and what specific services you require from us?</p>	<p>The primary advice we require from the successful advisors is formal valuation advice to aid the transfer of land, primarily to the LLP. Local Authorities under the Local Government Act 1972 have the ability to dispose of land in any manner, but they are required to obtain best consideration reasonably obtainable, unless dispensation is granted. In order to transfer (dispose) of land to the LLP the Council must be able to satisfy itself with the value of the proposed transfer and requires professional property and valuation advice to enable it to do so.</p> <p>The Council also holds significant land options, so it will require technical property advice on their transfer.</p> <p>It is anticipated also that the successful advisors will have broader property expertise than the in-house team and may be able to advise if any further advice on the land transactions is required (beyond that which is already commissioned within this brief & the existing legal and financial briefs).</p>
26 Sep '22	2	<p>Stewardship Vehicle: 'To provide valuation advice on the assets proposed to be included within the Stewardship vehicle.'</p> <p>Please can you clarify what type of assets this refers to and provide a schedule if possible?</p>	<p>The exact assets are yet to be determined but they are likely to include:</p> <ul style="list-style-type: none"> - Community facilities including MUGA's, community halls, town centre and potentially leisure centre - Green assets including parks & play areas - Transport assets including transport hubs & car parks - Commercial units in town and light industrial business zone - Blue assets (lake) <p>This advice will not be required in the initial work now, please see the revised scope issued.</p>

26 Sep '22	3	<p>Places for People Joint Venture: 'To work alongside the LLP and their consultant team to review the due diligence undertaken and undertake appropriate supplementary due diligence on behalf of the council in liaison with the Council's financial advisors.'</p> <p>Please can you confirm what type of due diligence is required here, property, financial, legal etc?</p>	<p>Financial and Legal due diligence will be provided by respective experts in these fields working alongside your team, property due diligence will be required.</p>
26 Sep '22	4	<p>SLA and PDS: 'To provide technical property and valuation advice on the proposed implications of the options for land transfer governed by the Strategic Land Agreement.'</p> <p>Please advise on how many options are being considered?</p>	<p>We have yet to determine the exact options, but it is likely that we will want to explore the potential of a single transfer of all land / land option holdings, as well as explore the option to transfer land on a more phased approach, such as all Phase 1 land at the commencement of Phase 1, vs land transferred on an incremental basis for Phase 1 at the point of transfer to the respective Housebuilders.</p>
26 Sep '22	5	<p>SLA and PDS: 'To provide technical property and valuation advice on the optimum treatment for the land that will ultimately be utilised by the Council (primarily for Civic buildings and social housing for the Housing Revenue Account).'</p> <p>Do you have any draft proposals you can share with us at this stage?</p>	<p>We don't at this time, however it is anticipated that the town centre will include a building with space for a new Civic Centre as well as an aspiration to build Council Housing (for the HRA) on the site as part of later phases of the development.</p>
26 Sep '22	6	<p>Other valuation advice: Valuations for secured lending</p> <p>These valuations would need to be subject to the lender being content that [-bidder-] are retained by Homes England.</p>	<p>Please clarify this question.</p> <p>[see question/item 14 below]</p>
26 Sep '22	7	<p>Please advise whether we can add appendices to our answers to provide supporting information?</p>	<p>Please see Instructions document para 2.1.8</p>

03 Oct '22	8	Is it correct that the only valuation required in the initial report is a Red Book valuation on the 'Places for People JV' scheme of 2,000 units. Could we please have a red line plan and masterplan?	The initial valuations (red book) will be required for the Places for People JV scheme, the Owen and the Hurley land interests. The Owen and Hurley land interests are relevant to the potential collaboration with Homes England and therefore it is anticipated we will require an initial valuation to be undertaken to enable the collaboration agreement to proceed and then a further final valuation when the land transaction occurs.
03 Oct '22	9	If further valuation advice is required, could we please have red line plans for each valuation needed; and will we be able to value them on the basis that they are development parcels (with suitable assumptions as to unit mixes etc) rather than individual existing uses (e.g a single dwelling).	Attached is the Parcel Plan which outlines the land parcels and current land ownership. In addition the illustrative masterplan can be found here: https://www.folkestone-hythe.gov.uk/media/5400/OP5-Appendix-4-5-4-6-Illustrative-Master-Plan-Land-Use-August-2022-Amended/pdf/OP5_Appendix_4.5_-_4.6_Illustrative_Master_Plan_Land_Use.pdf?m=637976524413700000
03 Oct '22	10	Can the Council confirm whether the valuations are to take place assuming serviced land parcels?	No, the land values for these three initial parcels will not be for serviced land.
03 Oct '22	11	If the answer to the above is 'no', has the Council procured cost consultant advice for the infrastructure and site servicing for the scheme, and will this be made (or acceptable assumptions agreed) in advance of the instruction?	The Council's masterdeveloper agent has procured cost consultant advice on the infrastructure and site servicing elements of the scheme. It is assumed possible to share this information with our appointed valuer if required.
03 Oct '22	12	What is meant by 'optimum treatment' in the context of the SLA / PDS under section 4 of the Brief?	The Council needs to establish how to manage the land that may eventually be utilised by the Council directly in the long term. The Council is currently the landowner and anticipates broadly transferring its land the Otterpool Park LLP for it to progress the development, build infrastructure and sell serviced plots to housebuilders. However, a small amount of land is likely to eventually return to council ownership (for council housing stock, a new Civic centre and potentially for industrial/commercial units). The Council seeks professional advice on the optimum treatment of this land. This advice is also being sought separately on the financial and tax brief (separate tender exercise).

03 Oct '22 13

Following from question 2:

- Please can you advise roughly how many acres do these assets individually cover and confirm which are income producing?

The Council will not require valuation advice immediately on the assets related to the Stewardship Vehicle, but will require this advice over the coming months. As referred to in question 2 the exact assets have yet to be determined. However, the masterplan (see link above) provides some further information on these assets. Additionally, the Development Specification has a description of land uses applied for (please note however they are global figures over the life of the scheme and are designed to provide flexibility). The Development Specification includes a broad allocation of floorspace which could be used for community use. Relevant community uses could include:

- A community hall;
- A place of worship;
- A youth centre;
- An education centre/training centre/library;
- Exhibition or archive space for local heritage and archaeology; or,
- Workspace

Not all of these community assets will be transferred to the Stewardship vehicle. There is also a Communities Facilities Strategy which again provides further context, however, please bear in mind the exact mix of assets to be transferred to the Stewardship Vehicle is yet to be determined.

This document can be found here https://www.folkestone-hythe.gov.uk/media/4928/Appendix-4-10-Community-Development-Facilities-Strategy/pdf/OP5_ES_A4.10_CommunityDevManagementStrategy.pdf?m=637854866525630000

This work will now form part of a later scope of work, please see the revised scope issued.

04 Oct '22	14	In regards to question 6; Some lenders may perceive a conflict of interest if we were to be retained by HE to provide advice/value for internal purposes and then for secure lending. This will need to be checked with the lender. However, if the lender is content with the arrangement then we are happy to provide the services, although this may need to come with a separate arrangement with the lender.	Noted.
04 Oct '22	15	Please can we also ask, following on from your response to our question 2: Please can you advise roughly how many acres do these assets individually cover and confirm which are income producing?	See question 13.
06 Oct '22	16	We would need to understand the numbers, sizes and proposed ownership of the community facilities to determine the appropriate valuation methodology. Can the council provide further information on the assets to be valued?	Please see the above answers related to community facilities.
06 Oct '22	17	The brief refers to valuation for secured lending purposes. Can the Council provide further information on the precise assets to be valued for secured lending purposes within the initial brief, the purpose of the valuation, loan amount and valuation liability cap?	Initially only the land related to Phase 1 will need to be valued for transfer to the LLP. This will be secured by way of a loan note arrangement between the council and the LLP, with an overarching debenture to secure the interests of the council. The acreage and related phase can be found in the Parcel Plan document attached.
	18	[- re scope of the initial report / 4-6 timeframe -]	<p>Whilst we do require everything in section 4 of the brief, we don't need it all in the initial 4/6 week period referred to in section 3.</p> <p>In essence we will require the Homes England and Places for People Advice in that time frame, with the Strategic Land Agreement/Phase Delivery Strategy and Other Advice following in say January/February and the Stewardship vehicle valuations during 2023.</p>

07 Oct '22	20	Does the Council have a retained Property Advisor on this project? Which property consultancies (project management, planning, QS) are on the Project Team?	No it does not.
07 Oct '22	21	Can you give an indication on the quality and completeness of the information which is going to be supplied at the outset? This will have a material bearing on the speed of delivery of the draft report.	We have provided clarification on the timescales now required. The client will seek to provide sound and complete information, and the initial brief deadline has been extended and clarified the contents of the initial brief and the work which will form part of later briefs of work.
07 Oct '22	22	You've stated a required timeline for delivery of the draft report of 4 weeks. There are four agreements [or tentative arrangements where they are not yet agreed] to be reviewed and advised on, where consultation with stakeholders and other consultants will be required. In addition, there is a requirement to prepare valuations linked to the agreements, separate from the formal valuation advice. How does the council want us to estimate the time and resources required to undertake the task based on the information provided?	See question/item 18 above.
07 Oct '22	23	The aspiration is for FHDC to benefit from capital receipts in the middle and long-term and to explore the scope for generating sustainable revenue streams. This implies that gaining a good working knowledge of the custom-built financial appraisals developed by the team will be important. Will this model be supplied and in what form has it been constructed?	This is correct. There will be separate financial advisors to the council appointed who will undertake the majority of this work, however input from the property and valuation advisors will be needed to ensure there are appropriate inputs. The model will be supplied to the relevant appointed parties, it is a custom (excel) model developed by the LLP.

07 Oct '22	24	There is a requirement to provide assurance in respect of the model's "robustness". We assume this means checking and verifying that the functionality of the model is working and it is fit for purpose. Please confirm. Is the Council also expecting the Consultant to verify the validity and suitability of all the input variables contained in the model?	We only require an assessment of the reasonableness of the cost inputs, revenue inputs and programme delivery/phasing based on market evidence / expected market benchmarks.
07 Oct '22	25	We will need to understand the structure of existing legal arrangements, including the Members' Agreement and Phase Delivery Strategy. How many agreements will we need to review and how will we be briefed on their general form and content?	We have appointed lawyers who have drafted the key documents. There currently is in agreed form the Members' Agreement and Strategic Land Agreement. There are also Funding Agreement which are substantially concluded. However we are not clear why you need to review these documents, we are not seeking advice on them, although we note the context of the SLA for the purposes of the PDS would be of interest, but we seek no advice on the existing agreements.
07 Oct '22	26	The successful consultant is expected to work collaboratively with other consultants and provide advice that is consistent with their work. Who will be consulted and what is their availability expected to be?	The Council has appointed lawyers (Browne Jacobson) and are currently out to tender for Financial Advisors. It is anticipated they will make themselves available for required work.
07 Oct '22	27	Pricing is expected to be a fixed price for the initial report with a schedule of rates for additional services. Typically consultancy services are time based [which implies a reliable assessment of the time required] and valuation advice fees relate to the value of the asset [although the complexity of the task can override the % fee]. How should we approach such a blended fee?	See question/item 18 above.

07 Oct '22	28	In our written submission for “Proposed Approach”, how do you want Consultants to detail our proposal for delivering the report; are we being asked to set out a report collation and writing process, or are there features of the agreements we should be particularly focused on in our response to this question?	You are to detail your proposal for <u>delivering</u> the financial advice report: <u>how you will prepare a report to fulfil the requirements in the brief.</u>
07 Oct '22	29	The Brief states that “specific valuation work when land is drawn down outlined in Section 4 does not form part of this timeframe [4 weeks] and instead is provided within the timescales agreed at the time of request”. Our interpretation is that this statement refers to all “Other Valuation Advice” as set out in Section 4. Can you confirm that is correct?	The brief has been separately clarified, please refer to this.
07 Oct '22	30	If the response the Clarification point above is “yes”, it seems that the requirement is for an unspecified number of valuations over an unspecified period of time, for which you want Consultants to quote a fixed fee now. Can you clarify this apparent conundrum?	We do not require a fixed fee for this part of the work. We require a schedule of rates which shall be used to calculate the fee for each valuation.
07 Oct '22	31	“Other Valuation Advice” includes full RICS valuations for all the proposed land disposals to House Builders for Phase 1. Is this one land transaction? If more than one, how many land parcels require valuation?	No this would not be a single transaction, there are proposed to be 6 Housebuilders (excluding the JV partner) in Phase 1.
07 Oct '22	32	Regarding any valuations required “for secured lending” as set out in “Other Valuation Advice”, please clarify who is the lending entity and what liability will be required from the Consultant to that lending entity.	The Council will be the lender in a transaction (loan note) to the LLP, which will be secured by way of a debenture.

07 Oct '22	33	Under the heading “Strategic Land Agreement (SLA) and Phase Delivery Strategy (PDS)”, there is a requirement to provide technical property and valuation advice on the “optimum treatment” for the land that will ultimately be utilised by the Council’. Can you please clarify what is meant by “optimum treatment”.	See question 12 above.																																																		
07 Oct '22	34	What assets are proposed to be included in the Stewardship Vehicle? What is the approximate value of these assets?	Please see questions 2 & 13, this advice is not required in the initial brief now.																																																		
07 Oct '22	35	For the Places for People Joint Venture, you are requesting a “full RICS valuation”. We assume you mean a Red Book valuation - can you confirm? What is the purpose of the valuation – is it for Council internal approvals or for some other purpose (this helps us define the output and liability required)?	Yes. This is for the internal purposes of the council.																																																		
07 Oct '22	36	Are we correct to understand that Phase 1 comprises c.2,000 units? What is the approximate value of that land, based on recent bids received? This helps us define the liability required.	This is correct. <table border="1"> <thead> <tr> <th></th> <th>RLV/acre @ 22%</th> <th>Plots</th> <th>Acres</th> <th>RLV £m</th> </tr> </thead> <tbody> <tr> <td>Places For People (Flats)</td> <td>2,220,132</td> <td>1,000</td> <td>53.2 Acres</td> <td>118.0</td> </tr> <tr> <td>Places For People (Houses)</td> <td>-</td> <td></td> <td></td> <td>-</td> </tr> <tr> <td>Redrow Homes</td> <td>1,227,492</td> <td>336</td> <td>32.3 Acres</td> <td>39.6</td> </tr> <tr> <td>Quinn Estates</td> <td>1,271,893</td> <td>209</td> <td>19.4 Acres</td> <td>24.7</td> </tr> <tr> <td>Pentland Homes</td> <td>1,357,403</td> <td>202</td> <td>17.6 Acres</td> <td>23.8</td> </tr> <tr> <td>Millwood Designer Homes</td> <td>1,836,576</td> <td>120</td> <td>7.7 Acres</td> <td>14.2</td> </tr> <tr> <td>TG Designer Homes</td> <td>1,230,675</td> <td>34</td> <td>3.3 Acres</td> <td>4.0</td> </tr> <tr> <td>Steenvlinder</td> <td>1,271,552</td> <td>25</td> <td>2.3 Acres</td> <td>3.0</td> </tr> <tr> <td></td> <td></td> <td>1,926</td> <td>135.7 Acres</td> <td>227.3</td> </tr> </tbody> </table>		RLV/acre @ 22%	Plots	Acres	RLV £m	Places For People (Flats)	2,220,132	1,000	53.2 Acres	118.0	Places For People (Houses)	-			-	Redrow Homes	1,227,492	336	32.3 Acres	39.6	Quinn Estates	1,271,893	209	19.4 Acres	24.7	Pentland Homes	1,357,403	202	17.6 Acres	23.8	Millwood Designer Homes	1,836,576	120	7.7 Acres	14.2	TG Designer Homes	1,230,675	34	3.3 Acres	4.0	Steenvlinder	1,271,552	25	2.3 Acres	3.0			1,926	135.7 Acres	227.3
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07 Oct '22	37	There are essentially four different work streams (Homes England, Stewardship Vehicle, PfP and the SLA & PDS) which require various valuations, review of the LLP Delivery Strategy model and two sets of HoTs to review. The output you're asking for is "a report", but it seems likely that there will instead be a varied set of outputs including HoT mark-ups, several valuations, and several mini-reports/recommendations. Can you please clarify the deliverables you're expecting within the 4-week programme?	See question/item 18 above.
07 Oct '22	38	For the tender submission, would CVs of the team be included in the word count or can these be provided as separate Appendices (outside of the word count)?	We don't score tenders based on the content of CVs, so full CVs are not required. You can include them as appendices outside the word count. But please note your answer will be scored based on the content of the answer itself: any relevant information from the CVs which your answer relies on, should be included or summarised in your answer.
07 Oct '22	39	Does the Council have a budget for this piece of work? And if so, what is the budget?	We do not have a defined budget for the work. We anticipate the whole contract value may exceed £100,000.
07 Oct '22	40	Is the Council expecting the consultant to build the financial model to assess the entire 10,000 unit scheme, or is the expectation that the consultant feeds into the Council's model? If the latter, is it possible to know the headings of the inputs required please?	We only require an assessment of the reasonableness of the cost inputs, revenue inputs and programme delivery/phasing based on market evidence / expected market benchmarks.
[question 41 next page]			

18 Oct '22	41	<p>Further to the receipt of the brief for Lot 1 [valuation advice], we have now received and reviewed the brief for Lot 2 [financial advice, tender DN636727].</p> <p>Based on the skill sets and professional services that [we] can offer there is, in our opinion, a degree of potential cross over between services that [we] can cover in Lot 1 and 2.</p> <p>Whilst we have already submitted a number of questions for clarification on Lot 1, one that we had not considered to date was the potential of cost saving through providing combined services for Lots 1 and 2.</p> <p>As such, it would be most useful if you could advise how we can address the opportunity for cost savings and the ability to offer continuity of staff resourcing across both Lots within our proposals.</p>	<p>Because any cost savings would be dependent on your organisation being appointed to both contracts, we may not be able to consider the cost savings when we evaluate the two tenders.</p> <p>However, we would welcome an alternative pricing proposal alongside the main price schedule which could be used if your organisation was successful on both tenders.</p>
21 Oct '22	42	<p>We are confused by the wording below in relation to PfP:</p> <p>“Joint Venture with Places for People</p> <p>The LLP recently secured offers for the land parcels related to Phase 1 of the site (around 2,000 homes). One of the offers from a strategic housebuilder is a Joint Venture with Places for People.”</p> <p>My question is whether this means:</p> <ol style="list-style-type: none"> 1. The offer is from a strategic housebuilder which has a JV with Pfp, and this JV wants to buy land; or 2. Is Pfp the strategic housebuilder and wants to form a JV with the LLP; or 3. Is it a JV between a strategic housebuilder and Pfp, and that JV wants to form a JV with the LLP?. <p>Could you please clarify?</p>	<p>The JV is between the LLP and Places for People (scenario 2).</p>

Brief Advice	#	Advice Sought	Question	
Homes England proposal	1	To review the draft Heads of Terms and provide technical property and valuation advice on the proposal made by Homes England to the Council.	In seeking to increase their stake to 28% of the overall site, how many individual parcels of land / option agreements will need to be considered / valued as part of the valuation of this land under the proposed Heads of terms?	Currently it is anticipated that two further parcels of land will need to be considered and valued, these are the Owen and Hurley land parcels and can be seen under the Parcels Plan document attached.
	2	To review the proposed financial contribution offered by Homes England to establish (working alongside our financial advisors) if it represents good value to the Council.	It is understood that the proposal made by Homes England is a combination of capital receipts and infrastructure contributions. To determine if that represents good value for money are you seeking a valuation(s) that considers each option site in isolation (and/or in the aggregate) that covers its own proportion of infrastructure cost apportionment where the LLP deliver the infrastructure without any infrastructure contributions?	<p>That is correct, the proposal for a collaboration agreement include both the capital receipt for the two parcels of land noted above and infrastructure contributions.</p> <p>The valuations for the two sites proposed to be acquired will need to be red book valuations, however the infrastructure contributions are proposed to be proportional contributions (based on the share of land held at the time) of the actual infrastructure costs incurred as the scheme progresses. Currently it is not anticipated that historic infrastructure costs for the two sites to be acquired will also be reimbursed as HE proposes to pay the council full market value for this land (acknowledging the value added to date). HE are proposing to reimburse the council for historic infrastructure costs incurred to date for their existing land holding (which makes up around 10% of the proposed 28% holding.</p>

Brief Advice	#	Advice Sought	Question	
Stewardship Vehicle	1	To provide valuation advice on the assets proposed to be included within the Stewardship vehicle.	It is understood that the exact number of assets to be included in the Stewardship vehicle is still to be determined. Can it be confirmed that the valuation advice in relation to the Stewardship vehicle sits outside of the initial fee proposal / work output and a separate fee proposal would be required in advance of transfer at a later stage?.	This is correct.
Places for People Joint Venture	1	To review the draft Heads of Terms and provide technical property and valuation advice on the proposals outlined within them and the implications for the Council.	In regard to the Places for People Joint Venture, one output will be a valuation in line with the draft Heads of Terms, but to compare / consider the implications for the Council are you also expecting a fully policy compliant scenario to compare / contrast in terms of scheme tenure mix, delivery programme and expected capital receipts to ensure it represents good value to the Council?.	We are not anticipating this to be required as the LLP has undertaken an exercise and appropriate due diligence in selecting this housebuilder, we would be open to discussing this approach further with the successful bidder but the initial scope of the work is that of a valuation in line with the Heads of Terms.
	2	To review the proposed financial consideration and establish (working alongside the financial advisors) if it represents good value to the Council.	Our question here is linked to the above question.	See above.

Brief Advice	#	Advice Sought	Question	
	3	To work alongside the LLP and their consultant team to review the due diligence undertaken and undertake appropriate supplementary due diligence on behalf of the council in liaison with the Council's financial advisors.	<p>Can it be confirmed whether this exercise is to be undertaken as part of the initial 4 – 6 week reporting requirements or if it would be required at a later stage and as such suits outside the initial fee proposal request.</p> <p>If it is to be covered under the initial advice, please can a summary covering the extent of the due diligence undertaken to date be provided. That will assist in gauging the level of work required as part of the review exercise and will also allow us to consider the extent of any supplementary due diligence that may be required.</p>	<p>This work does not need to be undertaken within the initial period, however it will be required early in 2023, so should be included in the initial fee proposal.</p> <p>I am advised by the LLP and their property advisors that extensive dialogue has been had with Places for People, including full legal representation on both sides (LLP and PFP) to structure the JV LLP. This followed a robust marketing campaign to identify the preferred partner for the delivery of the Town Centre. Knights (on behalf of Otterpool LLP) and DAC Beachcroft (on behalf of Places for People) have been negotiating the Heads of Terms, supported by the wider consultancy team.</p>
	4	To undertake a full RICS valuation on the land proposed to be transferred to the JV.	Can it be confirmed whether this exercise is to be undertaken as part of the initial 4 – 6 week reporting requirements or if it would be required at a later stage and as such suits outside the initial fee proposal request.	As above, this work is not required within the initial 4-6 week period, however it will be required early in 2023. This request sits within the initial fee proposal.

Brief Advice	#	Advice Sought	Question	
Strategic Land Agreement (SLA) and Phase Delivery Strategy (PDS)	1	To provide technical property and valuation advice on the proposed implications of the options for land transfer governed by the Strategic Land Agreement.	<p>Can it be confirmed whether this exercise is to be undertaken as part of the initial 4 – 6 week reporting requirements or if it would be required at a later stage and as such suits outside the initial fee proposal request.</p> <p>If advice is required within the initial report, please can you advise as to the number of options that are being considered.</p> <p>Please also confirm the extent to which additional valuation advice (on land not covered by Homes England, Places for People and Stewardship ass part of the wider valuation exercise) would be required to be provided as part of this exercise.</p>	<p>This advice is required in the initial reporting period and should sit inside the initial fee proposal.</p> <p>The land that we will require advice upon for the SLA/PDS is that land which falls within Phase 1 of the scheme (please see plans provided).</p> <p>We do not for this purpose require any advice on further valuations for the purposes of this exercise.</p>
	2	To provide technical property and valuation advice on the optimum treatment for the land that will ultimately be utilised by the Council (primarily for Civic buildings and social housing for the Housing Revenue Account).	Please can it be confirmed how many land parcels / optioned sites this would relate to and is the intention for the advice to link to the model review exercise, i.e. to ensure the costs for delivering the Civic buildings / HRA dwellings are covered or subsidised by sales of phases / sub-phases.	<p>The PDS only relates to Phase 1 of the site, those sites can be identified from the plans available through other clarifications sought.</p> <p>We cannot be specific at this time on the exact requirements of valuations required for potential Civic buildings / HRA dwellings, at this stage we only seek advice on the principles the council should consider in determining the approach to land transfer under the PDS for parcels which may in due course be utilised to deliver council assets.</p>

Brief Advice	#	Advice Sought	Question	
	3	To review the model provide by the LLP in respect of the Phase Delivery Strategy to provide assurance to the Council of its robustness.	Please can it be confirmed if you are seeking a full analytical review of the accuracy of the data, formulas and mechanics of the LLP model in addition to the inputs / outputs or if this exercise would be limited to an assessment of the reasonableness of the cost inputs, revenue inputs and programme delivery / phasing based on market evidence / expected market benchmarks.	We only require an assessment of the reasonableness of the cost inputs, revenue inputs and programme delivery/phasing based on market evidence / expected market benchmarks.
Other Valuation Advice		To undertake full RICS valuations for all the proposed land disposals to House Builders for Phase 1 of the development.	<p>Please can it be confirmed if this is to form part of the initial valuation advice or if would be required in advance of transfer at a later stage?.</p> <p>If advice is required as part of the initial exercise, please can the number of proposed disposals and their expected quantum of residential development be provided.</p>	This will be required at a later stage.
		<p>In summary the brief requires valuations for:</p> <ul style="list-style-type: none"> i. Valuation for secured lending (including land subject to disposal covered by loan notes) ii. Valuation for financial reporting iii. Valuation for site acquisition & disposal 	Please can it be confirmed that this advice does not form part of the initial advice being requested and as such no fee proposal required at this stage.	This does not need to be included in the initial brief but will form later stages of work, which should be considered in the unit rate prices provided.

APPENDIX B
CONSULTANT'S TENDER

Homes England Property and Financial Professional Services Framework (FTS 2022/S 000-016677)

Further Competition (Lot 1)

Supplier Response Document



Valuation Advice regarding the Otterpool Park Garden Town Project

September 2022

CONTENTS

- Section 1 – Supplier details
- Section 2 – Technical and quality questions
- Section 3 – Pricing schedule
- Section 4 – Terms & conditions of contract
- Section 5 – Declarations

REQUIRED DOCUMENTS

Please also complete and provide:

- Appendix B – pricing schedule
- sub-contractor information (if applicable)

APPENDICES

Please list any additional documents you have submitted with your tender:

- Appendix 1 – Otterpool Park Programme

SECTION 1 – SUITABILITY QUESTIONNAIRE

1.1 ORGANISATION DETAILS

This section is for information only, but must be completed in full.

The terms 'the organisation' and 'your organisation' used in this document mean your business, company, charity, partnership or any other type of organisation identified below.

Full name of the organisation submitting this tender	Gerald Eve LLP
Registered office address:	One Fitzroy 6 Mortimer Street London, W1T 3JJ Tel. +44 (0)20 7493 3338
Company registration or charity registration number	OC339470
VAT registration number	974 9929 41
Name of immediate parent company	N/A
Name of ultimate parent company	N/A
Type of organisation: <ul style="list-style-type: none"> • public limited company (PLC) • limited company (LTD) • limited liability partnership (LLP) • other partnership • sole trader • third sector (charity) • other (please explain) 	please state which: Limited Liability Partnership
Are you a Small, Medium or Micro Enterprise (SME)?	No
Contact details for questions about this quotation	
Name:	██████████
Phone:	██████████

Mobile:	██████████
Email:	████████████████████

Sole bidding organisation

You are a 'sole bidding organisation' if this quotation is submitted for your company only. If you intend to use sub-contractors, consultants or other partner organisations to deliver the contract, you do not need to identify them in your response*. Your company will be entirely liable to Folkestone & Hythe District Council (F&HDC) for the delivery of the requirements of the contract.

*Exception: where sub-contractors will play a significant role in the delivery of the services (e.g. more than 50%) please refer to Section 1.1

Consortia, partnerships and joint ventures

If you are quoting for this contract on behalf of a group of companies (a consortium, partnership or joint venture) the following information must be provided:

- Full details of the consortium, partnership or joint venture and
- Information sought in this questionnaire in respect of each of the consortia, partnership or joint venture constituent members as part of a single response.

If you propose to create a separate corporate entity for this contract, you must provide details of the actual or proposed percentage shareholding of the constituent members within the consortium in a separate schedule (how much of the new organisation each member will own).

F&HDC reserves the right to require a successful consortium to form a single legal entity in accordance with Regulation 19(6) of the Public Contracts Regulations 2015.

If there is a change in the consortium, partnership or joint venture you must inform F&HDC immediately.

Special Purpose Vehicles (SPV)

You are a 'Special Purpose Vehicle' (SPV) if you have formed (or will form) a new legal entity for the purpose of bidding for this contract, with the intention that this organisation will be awarded the contract.

In addition the member organisation of the special purpose vehicle will be required to be jointly and severally liable to the Council for the delivery of the requirements of the contract, regardless of

- (a) the value of their contributions in respect of the contract sum, time, volume, quality or any other considerations, or
- (b) the future organisational or legal standing of the special purpose vehicle.

You must inform F&HDC of any withdrawal of members of the SPV during or subsequent to the ITT so that the implications of such a withdrawal may be assessed.

Consortia and sub-contracting (please tick)	
a) Your organisation is bidding to deliver the contract itself	✓
b) Your organisation is bidding in the role of prime contractor and intends to use third parties to deliver some of the contract If more than 50% of the work will be completed by sub-contractors, please complete the sub-contractor information template provided.	
c) Bidding organisation is a consortium, joint venture or partnership	
d) Bidding organisation is a special purpose vehicle	
<p>If your answer is (c) or (d) please provide a separate document explaining which member of the group will be responsible for providing each part of the contract.</p>	

1.2 ECONOMIC & FINANCIAL STANDING

This Section is risk based **PASS/FAIL**.

You are not required to submit any financial documents at this time, but F&HDC reserves the right to request further information and or request a credit agency report.

If you are bidding as a consortium, partnership, joint venture or special purpose vehicle:
we will obtain this information for each member of the group. The threshold for turnover can be met entirely by one member or by a combination of members; it is not necessary for each member to individually meet the threshold.

Is your annual turnover (at the date of the last audited accounts) or your projected annual turnover greater than £200,000 GBP?	Yes
---	-----

1.3 INSURANCE

This Section is **PASS/FAIL**. A bidding organisation will fail if it does not hold or is unwilling to obtain the minimum levels of insurance required.

You are not required to submit any evidence at this time. If you are successful, you will be asked to provide evidence in the form of copies of policies, letters of confirmation from insurers (or Brokers).

If you are bidding as a consortium, partnership, joint venture or special purpose vehicle: you must be adequately covered as a whole but may do so through any combination of policies of member organisations.

1.2.1	Is your Public Liability indemnity cover greater than £5 million GBP per incident?	Yes
1.2.2	Is your Employers Liability cover greater than £5 million GBP per incident (or the amount required by law)?	Yes
1.2.3	Is your Professional Indemnity cover greater than £ 2 million GBP per incident?	Yes

SECTION 2 –TECHNICAL AND QUALITY QUESTIONS

2.1 GENERAL DATA PROTECTION

For the purposes of the Data Protection Legislation, F&HDC does not anticipate the contractor processing any data on our behalf. The contractor will be a data controller of information relating to F&HDC and its officers as clients of the contractor.

2.2 HEADLINE QUESTIONS

These questions are for information only. Your tender will not be rejected if the answer is 'no'.

2.2.1	Do you currently have a carbon reduction plan or other measures in place to avoid or minimise the carbon emissions produced by your organisation and in your supply chain?	Yes
2.2.2	Provide an estimated figure for your scope 1 (direct emissions), scope 2 (energy indirect) emissions for your organisation's previous financial year. Guidance on how to calculate this figure can be found online (go to "Small Business User Guide" on gov.uk website)	
	Our Climate Change Action Plan sets out our climate-related disclosures and our plan to achieve our commitment. <ul style="list-style-type: none"> Our Climate Change Action Plan can be accessed using this link: https://www.geraldeve.com/wp-content/uploads/2022/08/Climate-Change-Action-Plan_0822.pdf 	

- Our Annual Environmental Impact Report can be accessed using this link: https://www.geraldeve.com/wp-content/uploads/2022/07/Annual-Environmental-Impact-Report_0722.pdf

We have assessed our greenhouse gas (GHG) emissions following the GHG Protocol which defines boundaries within Scope 1, 2 and 3. Our GHG emissions have been independently verified and assured.

We have a detailed understanding of our Scope 1 and 2 emissions through metered and service charges, as described in the table below.

Scope	Description	Existing boundary Currently captured	Expanded boundary To be included in future reporting
1	Direct emissions that are emitted from on-site energy consumption of fossil fuel sources for owned facilities where we have direct control and from owned or leased fleet vehicles.	<ul style="list-style-type: none"> • n/a • no Scope 1 emissions within our organisational footprint 	n/a
2	Indirect emissions emitted from grid supplied electricity and from purchased electricity and natural gas in leased space.	<ul style="list-style-type: none"> • Purchased electricity (metered and service charge) • Purchased gas (service charge) 	n/a

Our GHG emissions for Scope 1 and 2 emissions in the last financial year is shown below.

- Scope 1 = 0
- Scope 2 = 345 tCO₂e

2.2.3 The estimated annual value of this contract is £900,000 (£0.9m).

Calculate the estimated annual contract value as a % of your turnover for the last financial year or your estimated turnover for the current financial year (e.g. £900,000 is 5% of £18,000,000).

Apply this percentage to your estimated annual emissions to provide an estimate of the CO₂ that will be emitted in the delivery of this contract.

(e.g. if the contract value is estimated at 5% of your turnover, what is 5% of your organisation's scope 1 and scope 2 carbon emissions)

Our turnover for the last financial year was £75.8m

The annual contract value as a percentage of our turnover for the last financial year is 1%.

Our total Scope 1 and 2 GHG emissions for the last financial year were 345 tCO₂e.

1% of our Scope 1 and 2 GHG emissions = 3.45 tCO₂e.

It is estimated that 3.45 tCO2e will be emitted in delivery of this contract.

2.3 WEIGHTED QUESTIONS

Q1. PROPOSED APPROACH (30%)
Detail your proposal for delivering the financial advice report.
Your answer should cover all the following points:

- the Homes England proposal;
- the Stewardship vehicle;
- the Places for People joint venture;
- the Strategic Land Agreement (SLA) and Phase Delivery Strategy (PDS); and
- other valuation and land transfer advice.

You should also include a draft project timetable setting out key activities.
Max. 1000 words

[Redacted content]

[Redacted text block containing multiple paragraphs of blacked-out content]

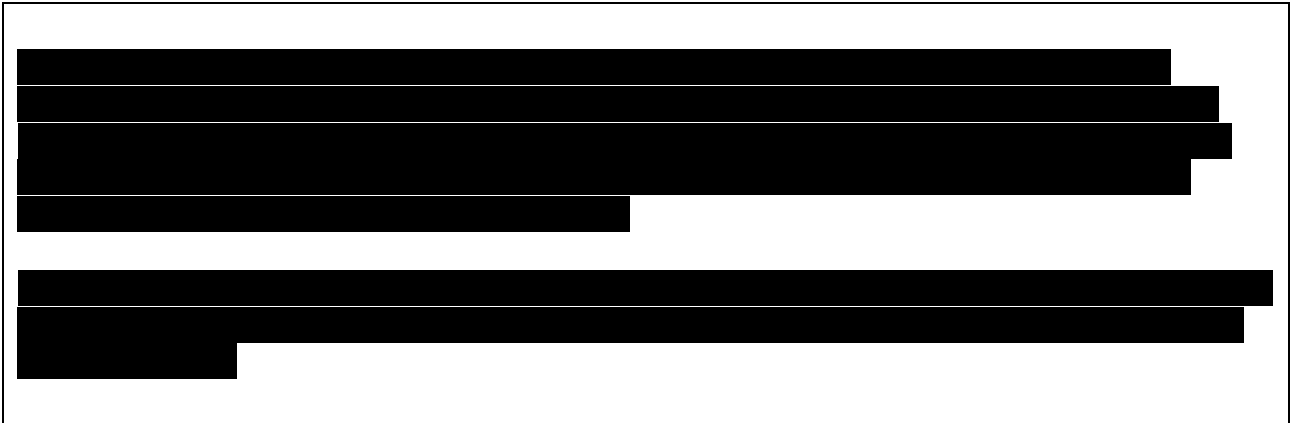
[Redacted content]

Q2. PROJECT RESOURCING (30%)
Detail the structure of the proposed project team, including:

- a) each member's qualifications and experience of working on similar projects for the public sector;
- b) how each member of the team work with F&HDC and other relevant parties during the project; and
- c) what continuity measures are in place if an unexpected absence occurs
- d) Outline your escalation procedures if timescales are not met.

Max. 1000 words

[Redacted text block containing multiple paragraphs of blacked-out content]



SECTION 3 – PRICING SCHEDULE

3.1.1 Please complete **Appendix B – Price Schedule**.

Detailed instructions on how to complete the schedule are included in that document.

3.1.2 Prices/rates are to be in £ Sterling (GBP), net only, and inclusive of all costs associated with the provision of the services (or works or goods).

3.1.3 Price(s) submitted must be **exclusive** of Value Added Tax (VAT). The percentage and amount of VAT will be shown on invoices at the current rate at the time of invoicing, if VAT applies.

3.1.4 Any estimated requirements (e.g. volumes) we give are intended for guidance only and are not guaranteed. Please submit your best commercial offer based on the information provided.

3.1.5 Unless otherwise stated, prices and rates must be fixed (i.e. not subject to variation) for the period of the contract subject.

3.1.6 If we find any arithmetical or mathematical errors in your tender, we correct it and inform you of any corrections we make. However, we are not responsible for finding errors. It is your responsibility to make sure your tender is complete, comprehensive and correct.

SECTION 4 – TERMS & CONDITIONS OF CONTRACT

This Section is **PASS/FAIL**. If you answer 'no' F&HDC is entitled to reject your tender but can choose to allow you to proceed further, after considering your circumstances.

If you answer 'no', please set out the full details in an additional appendix. F&HDC will consider your response before making a decision about whether or not to include your tender in its evaluations or to reject it.

Please ensure you have read Appendix C and Section 7 of the Instructions document.	
Do you accept F&HDC's terms (or the terms as amended by F&HDC in any pre-tender clarifications)?	Yes

SECTION 5 – DECLARATIONS

TO: The District Council of Folkestone and Hythe (F&HDC)

PROVISION OF: Valuation Advice regarding the Otterpool Park Garden Town Project

REFERENCE: DN633532

On behalf of Gerald Eve LLP, I offer to provide the supplies, services and/or works to F&HDC as specified in the quotation documents, commencing and continuing for the period specified in those documents (including any option to extend).

The quotation documents consist of:

- Invitation to Tender Instructions
- Appendix A - Brief
- Appendix C - contract terms
- the organisation's completed Price Schedule
- this response document
- and any documents I have submitted with this response document (listed on the first page)

If this offer is accepted, we will execute such documents as maybe appropriate in order to create a binding contract between F&HDC and ourselves.

I agree with the Council in legally binding terms to comply with the provisions of confidentiality set out in the **Request for Quotation Instructions**.

I understand F&HDC is not obliged to accept the quotation with the lowest cost or any quotation.

I accept that any costs incurred in preparing this quotation are at the organisation's own cost and F&HDC will not provide any reimbursement of these costs for unsuccessful or successful quotations.

I declare that to the best of my knowledge the answers submitted and information contained in this document are correct and accurate.

I declare that, upon request and without delay I will provide the certificates or documentary evidence referred to in this document.

I understand that the authority may reject this submission in its entirety if there is a failure to answer all the relevant questions fully, or if false/misleading information or content is provided in any section.



Further Competition (FTS 2022/S 000-016677) - Supplier Response Document

I am aware of the consequences of serious misrepresentation.

I declare our quotation has not been calculated by agreement or arrangement with any person other than F&HDC and that the pricing information for our quotation has not been shared with any person before the Quotation Return Date and not without the written consent of F&HDC.

I declare no person at the organisation has canvassed or solicited any member, officer, employee or agent of F&HDC in connection with the award of the Contract and that no person will do so before F&HDC completes the evaluation process.

I warrant that I have all requisite authority to sign this quotation and confirm that I have complied with all the requirements of the tender process described in the **Request for Quotation Instructions** and this **Request for Quotation supplier response document**.

Signature:	
Name & job title:	
Dated:	28/10/2022
For and on behalf of:	Gerald Eve LLP

Appendix 1
Otterpool Park Programme

Indicative Programme - Phase 1, 2 and Additional work

Key Stage/ Tasks	Week Commencing - To be confirmed								Key Milestone
	1	2	3	4	5	6	7	8	
Phase One									
Inception and Engagement Stage									
Inception meeting between GE and the Client									
Objectives and critical success factors setting									
Programme and reporting lines and meetings agreed.									
Assumed weekly update meetings agreed at this stage (subject to agreement with the Client)									
Engagement meeting with the LLP									
Information download and review of all documents									
Review of the Homes England Proposal									
Discuss the clients key requirements at inception meeting									
Review the draft Heads of Terms									
Meet with the Clients financial advisors to discuss proposal									
Produce advice for Client review and discuss at weekly meeting									
GE peer review of advice									
Amend (where necessary) and incorporate advice into main client report									
Issue initial advice to the client									23rd December 2022 deadline
Further discussion with client and incorporaitng of any comments									
GE Peer review of final report									
Issue final report to client									10th January 2023 deadline

Appendix 1
Otterpool Park Programme

Key Stage/ Tasks	Week Commencing - To be confirmed								Key Milestone
	1	2	3	4	5	6	7	8	
Strategic Land Agreement (SLA) and Phase Delivery Strategy (PDS)									
Discuss the clients key requirements at inception meeting									
Review the SLA.									
Provide advice on the implications of the options for land transfer and optimum treatment of the land for the client.									
Meeting with the LLP to discuss the financial model.									
Review the financial model and advise the Client of initial conclusions at weekly meeting.									
GE peer review of advice and financial modelling conclusions									
Amend (where necessary) and incorporate advice into main client report									
Issue final report									

Phase Two	Work to commence January 2023 with timescales to be agreed with client								
Joint Venture with Places for People									
Discuss the clients key requirements at inception meeting									
Review the draft Heads of Terms and provide initial advice on potential implications for the Client.									
Meeting with the clients financial advisors									
Undertake relevant due diligence in partnership with the LLP consultant team.									
Undertake a full RICS valuation on the land proposed to be transferred to the JV.									
Produce advice for Client review and discuss at weekly meeting									
GE peer review of advice and valuations									
Amend (where necessary) and incorporate advice into main client report									
Issue final report									Initial outputs by end of January 2023.

APPENDIX B - Price Schedule

Suppliers are asked to submit a **fixed fee** quote for **the initial valuation report**
 This should include identifying all activities involved in undertaking this commission

Prices submitted must be **exclusive** of Value Added Tax.

Activity Schedule						
Detail and cost all activities in this stage.						
ACTIVITY please list the activities required to meet this commission	RESOURCE please add the name of the person carrying out the activity	GRADE / JOB TITLE	DAILY RATE (£)	DAYS TO COMPLETE	SUBTOTAL (£)	OVERALL TOTAL (£)
Review of Homes England Proposal		Partner		2		
		Senior Associate		2		
		Partner		0.5		£ 7,025.00
Places for People Joint Venure		Partner		2.5		
		Partner		3		
	Senior Associate	3				
	Partner	1	£ 15,625.00			
TOTAL					£ 22,650.00	

Additional Services

Please list the your day rates. These will be used as the basis for payment for specific valuation work when land is drawn down.
Please also list any additional services that may be offered for the delivery of this project.

Prices in the table is for contract purposes only, will not be evaluated
Prices must be presented **exclusive** of VAT.

ACTIVITY please list the activities required to meet this commission (optional)	RESOURCE please add the name of the person carrying out the activity	GRADE / JOB TITLE	DAILY RATE (£)
Additional work listed in brief or as		Partner (Lead)	
		Partner	
		Partner	
		Partnert	
		Senior Associate	
		Senior Surveyor	