**Development Monitoring & Management Services Framework 2021 - 2025**

**Further Competition Invitation to Tender (Stage 1 Under FTS Threshold)**

**Compliance Inspector – The Hem, Telford**

**Issue Date: 21/11/2022**

**ProContract Identification Number: DN641559**

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**Introduction**

The purpose of this Further Competition Invitation to Tender (ITT) is to award the call-off contract for the above commission*.*

We ask you to respond to the questions detailed in Part 2, Section 6 (Evaluation Criteria) using the [Response Form](#_RESPONSE_FORM) and to return the Response Form and Resource and Pricing Schedule in Part 3 with your tender.

This Further Competition ITT is divided into 3 parts:

**Part 1 – Commission Requirements**

* Details the commission requirements.
* Details additional terms and conditions for the Further Competition. The successful Supplier will be subject to both the terms and conditions of this Further Competition and the Framework Contract. Unless otherwise defined in these instructions, terms used shall have the meaning given to them in the Framework Contract.

**Part 2 – Instructions for Submitting a Response**

* Contains important information and instructions on preparing and submitting a tender response. Please read these instructions carefully prior to submitting your tender response.
* Outlines the evaluation criteria which will be used for assessment. It is important that Suppliers familiarise themselves with the criteria and ensure they are considered when compiling their tender response.

**Part 3 – Standard Forms**

* Contains the standard forms required to be completed and returned by the Supplier when submitting a tender response.

**Part 1 - Commission Requirements**

1. **Commission Background**



Homes England owns the freehold land at The Hem, totalling 37.25ha (gross). Site Plan at Annex A. Outline planning approval was secured in 2022 for up to 350 homes across this landholding and that of an adjacent landowner (299 homes on Homes England’s site and 51 on the adjacent site). A S106 Agreement (Annex B) has also been secured detailing financial contributions and other obligations on development.

Following a competitive tendering exercise, Vistry Partnerships was selected as the preferred developer for the Homes England site, and an Agreement for Lease (AfL) is in place with various conditions precedent. A Reserved Matters application for 299 homes was submitted by Vistry in September 2022, and once approval is obtained and other conditions satisfied, the Building Lease will complete and development commence.

It is intended that a single firm will be procured via the Development Monitoring and Management Services Framework 2021-2025 to act as the Agency’s CI. Four Suppliers are being invited to tender.

1. **Objectives**

Homes England’s standard Building Lease contains provisions obliging the developer to deliver an agreed minimum number of new homes at an accelerated rate. There are other obligations such as incorporating Modern Methods of Construction (MMC), adopting Building for a Healthy Life design standards and maintaining health & safety construction standards. The AfL places an obligation on Homes England to procure a Compliance Inspector (CI) to monitor progress against the contracted obligations.

The developers’ duties include (but are not limited to):

• Comply with and discharge all relevant outline and Reserved Matters planning conditions.

• Discharge obligations and payments of the scheme’s S106 Agreement.

• Meet Homes England’s requirements in respect of the minimum build-out pace and the minimum MMC specification score (Annex C)

• Comply with the Council’s affordable housing planning policy. The developer must contract with a Registered Provider partner to own and manage those homes.

• Coordinate effective management of the site and discharge all statutory health and safety duties including CDM.

• Deliver and manage construction activities across the site in compliance with the terms of the planning approval.

• Secure all appropriate accreditations (including CML etc) for completed dwellings to ensure they are insurable / mortgageable.

• Manage all marketing and sales of dwellings.

• Agree and complete sectional agreements with the local authority and utility providers Incorporate an approved management company for long term stewardship of the public open spaces and other areas that do not fall within private residential ownership and facilitate the freehold transfer of such areas.

• Comply with any duties and services required of a developer under the terms of the warranty agreements provided to buyers.

• Otherwise comply with all obligations set out within the Agreement for Lease and Building Lease.

Vistry are required to sub-lease part of the site (48 homes) to a SME developer under the same terms and conditions, and are currently contracting with Shropshire Homes Ltd. This commission requires compliance monitoring and reporting for both Vistry and Shropshire Homes and it is expected that monitoring site visits and reports will be combined.

The CI will be appointed by Homes England and will be required to enter into the standard Duty of Care Deed (Annex D) which gives both Homes England and the developers legal reliance on the outcome of the CI’s work. This will be executed as a Deed prior to or at the same time as the Lease is completed.

Annex E contains extracts from the AfL and draft Lease relating to the CI role and responsibilities. A copy of the AfL and Lease will be provided to the successful supplier on completion.

1. **The Services & Key Deliverables**

**The Framework’s Scope of Services detailing the full services required is included at Annex F and should be carefully considered when compiling the Response.** The following is a summary only.

It is a mandatory requirement of this commission that reporting services are provided in compliance with the Royal Institution of Chartered Surveyors (RICS) professional guidance note, ‘UK – Lender’s independent monitoring surveyors, 1st Edition’.

**Summary of Services**

**1 Pre-Start on Site Meeting**

Homes England / Telford & Wrekin Council (see Management section below), the Developers and the CI will meet before development starts on site to agree management arrangements and information requirements.

**2 Initial Site Inspection & Report**

The CI will conduct a start-on-site inspection and prepare and circulate an Initial Report within 10 working days of that inspection.

**3 Monthly Site Inspections & Progress Reports**

The CI will conduct monthly on-site inspections until completion of all external works.

The CI will inform the Developer and Homes England of any non-compliance issues as and when identified.

Within 5 working days of the inspection prepare and circulate the monthly Progress Report throughout the full duration of the project.

Each monthly Progress Report will include the detail as provided within the Framework Scope of Services (Annex F). An example report is included at Annex G.

For this commission the Progress Report will also include:

* The Developer’s progress against their Employment & Skills Plan
* The Developer’s compliance in producing the quarterly health & safety report

**4 Sign off of Completed Dwellings**

The CI will sign off each dwelling at slab, wall plate and final completion. The CI will receive a copy of the CML Certificate from the Developer for each completed dwelling and provide this to Homes England with confirmation of the sign-off for that dwelling in order that Homes England may then transfer the freehold.

**5 Verification of Remainder Land**

The CI will verify the extent of any Remainder Land to be transferred to the Developer.

**6 Overage**

On receipt of the CML Certificates for the last two dwellings the CI will within three working days provide Homes England and the Developer with the overage calculation.

**7 Final Completion Certificate and Report**

The CI will issue the Final Completion Certificate in accordance with the terms of the Lease and the requirements of the Framework Scope of Services.

The Report will also include the overage details above.

1. **Site / Development Information**

|  |  |
| --- | --- |
| **Details** | **The Hem, Telford** |
| Address | The Hem, Telford, TF11 9PT |
| Location | East of A442 Queensway  North-east of Halesfield 1  Dissected by Nedge Lane (aka Naird Lane  **Site plan at Annex A** |
| Site Area (gross) | 37.25ha |
| Description | Greenfield site currently tenanted by a riding school |
| Planning Status | Outline approval secured August 2022  Reserved Matters application submitted September 2022 |
| Homes | 299 houses:  60 Affordable Rent  15 Shared Ownership  224 Open Market |
| Pace of Development | Minimum 4 homes per month |
| MMC | Minimum Score: 5  Vistry’s Bid Score 5.1 (Annex C):  251 Category 2A - timber frame  48 Category 6 – SME traditional construction |
| Sustainability | All homes to be Part L compliant  Gas heated with PV panels |
| Standing Stock | Minimum 8 homes before an extension of time may be requested by the Developer |

1. **Indicative Programme**

Suppliers should note the indicative programme dates when preparing their Programme information in the Response Form.

|  |  |
| --- | --- |
| **Key Delivery Milestones** | **Anticipated Date** |
| Tender Clarifications & Evaluation Complete | 16 January 2023 |
| Notifications Issued Following Cabinet Approval | 1 February 2023 |
| Contract Commencement Date | March 2023 |
| Developer’s Start on Site | March 2023 |
| Build Completion Date | March 2029 |

1. **Management**

The Hem is part of a joint initiative with Telford & Wrekin Council (TWC). The Council’s Development Team has overall management responsibility for the development.

Homes England’s Senior Development Manager will be responsible for appointing and issuing instruction to the CI via the TMS system, and the commission will be managed in partnership with TWC’s Development Team Leader throughout the build period. Homes England may also allocate an internal Contract Manager at a relevant point.

**Poor Performance Meeting**

These meetings will hopefully not be required. However, if poor performance is repeated following escalation to the Supplier’s Key Personnel to resolve the issue, as required in the Framework Management Schedule of the Framework Contract, the Framework Manager must be notified and Homes England may call for a Poor Performance Meeting. Beforehand, Homes England will present areas of concern so that the Supplier and Homes England can discuss what happened and why, what will be done to prevent it happening again and how matters will improve. The Supplier subject to such a meeting would be expected to outline in writing in a Rectification Plan afterwards what improvements/modifications they will be putting in place. There will be a maximum of two Poor Performance Meetings before termination of the commission.

1. **Risks**

This commission remains conditional upon the successful completion of the Building Lease. It is anticipated that on satisfaction of the conditions precedent the Lease will complete in March 2023, which is when this instruction will commence. If it transpires the conditions can be satisfied at an earlier point, for example if planning approval is secured earlier than anticipated, the Lease will complete earlier and the commission will begin earlier to avoid the financial year-end. Similarly should the Lease be delayed, for example due to a delay in planning approval, the commission will begin later.

1. **Payment**

Fees will be paid by Homes England as detailed in the Resource & Pricing Schedule on receipt of an approved VAT invoice.

**Other Requirements**

1. **Collateral Warranty**

The successful Supplier will be required to provide the standard Framework Duty of Care Deed (Annex D and Schedule 13 of the Framework Agreement) which gives both Homes England and the developer legal reliance on the outcome of the CI’s work.

1. **Limitation of Liability**

Consultant liability levels in relation to this instruction shall be as set out in the Framework Contract.

1. **Termination**

Should performance during the period of this appointment prove unsatisfactory following the Poor Performance meeting provisions set out in the Management section above, Homes England will exercise its right under the Termination and Suspension of the Contract clause in the Framework Contract to give notice to terminate the arrangement with immediate effect.

If the services are no longer required, for whatever reason, then Homes England reserves the right to terminate the appointment and pay for services completed at that point.

1. **Conflict of Interest**

Homes England will exclude the Supplier if there is a conflict of interest which cannot be effectively remedied. The concept of a conflict of interest includes any situation where relevant staff members have, directly or indirectly, a financial, economic or other personal interest which might be perceived to compromise their impartiality and independence in the context of the procurement procedure.

Where there is any indication that a conflict of interest exists or may arise then it is the responsibility of the Supplier to inform Homes England, detailing the conflict in a separate Appendix.

1. **Confidentiality**

This Further Competition ITT and associated information is confidential and shall not be disclosed to any third party without the prior written consent of Homes England. Copyright in this Further Competition ITT is vested in Homes England and may not be reproduced, copied or stored on any medium without Homes England's prior written consent.

Suppliers shall not undertake, cause or permit to be undertaken at any time any publicity in respect of this Further Competition process in any media without the prior written consent of Homes England.

1. **Health and Safety**

Homes England takes health and safety very seriously and expects all Suppliers to do the same. All Suppliers must adhere to the Health and Safety obligations in the Framework Contract and the following Homes England policies where applicable:

* Homes England Safety, Health and Environment Policy
* Homes England Asbestos Policy
* Homes England CDM Policy

**Part 2 - Instructions for Submitting a Response**

1. **General**

1.1 The Further Competition deadline is **12 noon** on **16/12/2022** and tender responses **must** be submitted on ProContract. Please regularly check ProContract for any amendments to the Further Competition deadline. For all ProContract portal issues please contact [ProContractSuppliers@proactis.com](mailto:ProContractSuppliers@proactis.com).

* 1. Suppliers **must** ensure that suitable provision is made to ensure that the submission is made on time. Any tender responses received after the Further Competition deadline shall not be opened or considered unless Homes England, exercising its absolute discretion, considers it reasonable to do so. Homes England, may, however, at its own absolute discretion extend the Further Competition deadline and shall notify all Suppliers of any change via ProContract.
  2. **Please note all communications during the tender period will be via the ProContract website. All Suppliers that have registered their interest for the Procurement will receive a direct email notification from ProContract on any updates via the Suppliers registered email address. No approach of any kind should be made to any other person within, or associated with, Homes England. It is the Suppliers responsibility to check the ProContract website for any updates to the Procurement process. No claim on the grounds of lack of knowledge of the above-mentioned item will be entertained.**
  3. The Supplier should check the Further Competition ITT for obvious errors and missing information. Should any such errors or omissions be discovered the Supplier must send a message via the messaging function on ProContract. No alteration may be made to any of the documents attached thereto without the written authorisation of Homes England. If any alterations are made, or if these instructions are not fully complied with, the tender response may be rejected.
  4. All clarification requests must be sent using ProContract no later than 5 working days before the Further Competition deadline shown on ProContract. Any queries submitted after this may not be answered. Homes England will respond to clarifications as soon as practicable.
  5. Suppliers should specify in their clarification questions if they wish the clarification to be considered as confidential between themselves and Homes England. Homes England will consider any such request and will either respond on a confidential basis or give the Supplier the right to withdraw the clarification question. If the Supplier does not elect to withdraw the question and Homes England considers any clarification question to be of material significance, both the question and the answer will be communicated, in a suitably anonymous form, to all prospective Suppliers who have responded. If Suppliers consider that page limits set out in Section 20 (Evaluation Criteria) are insufficient to provide the information required by the question then a clarification request should be raised. No guarantee can be given that the page limit will be increased.
  6. Tender responses must not be accompanied by statements that could be construed as rendering the tender response equivocal and/or placing it on a different footing from other Suppliers. Only tender responses submitted without qualification strictly in accordance with the Further Competition ITT (or subsequently amended by Homes England) will be accepted for consideration. Homes England’s decision on whether or not a tender response is acceptable will be final.
  7. Tender responses must be written in English.
  8. Under no circumstances shall Homes England incur any liability in respect of this Further Competition or any supporting documentation. Homes England will not reimburse the costs incurred by Suppliers in connection with the preparation and submission of their tender response to this Further Competition.
  9. Homes England reserves the right to cancel this Further Competition process at any time.

# Quality

2.1 A Response Form template has been provided in Part 2 to respond to the Quality questions detailed in Section 20 (Evaluation Criteria). The Response Form must be **completed and returned** as part of the tender response.

2.2 Suppliers must provide information on proposed staff in the Response Form and Resource and Pricing Schedule.

**3. Pricing**

* 1. A Resource and Pricing schedule has been provided with this Further Competition ITT (Annex H) which must be completed and returned in Excel format as part of the tender response.
  2. The pricing approach for this Further Competition is a lump sum fixed fee.
  3. The list of activities in the Resource and Pricing Schedule is not exhaustive and there may be additional duties/services required that will emerge as work is undertaken.  Bids are invited on the basis of 72 monthly site visits and reports being required, as per the Developer’s current programme which may change during the construction period. This commission may be extended or reduced on client instruction to cover such matters as arise, based on a time charged fee schedule completed in the tender response. The commission will only be extended if the services relate to the original objective of the overall call off contract.
  4. Suppliers are reminded that day rates for all individuals must be the agreed Framework Contract rates unless discounted rates are offered and will be used for all of the services.

1. **Evaluation**
   1. Tender responses will be evaluated on the basis of the overall Most Economically Advantageous Tender (MEAT) submitted to Homes England. The evaluation criteria (and relative weightings) that Homes England will use to determine the Most Economically Advantageous Tender are set out in Section 6 (Evaluation Criteria) below and the scoring approach is detailed in Section 7 (Worked Example). Scores will be rounded to two decimal places.
   2. Evaluators will initially work independently. Once they have completed their independent evaluation they will meet to discuss, understand and moderate any differences they have via a consensus meeting, where a single consensus score for each question will be agreed.
   3. Unsuccessful Framework Suppliers will be provided with their scores and feedback to explain the award decision.
2. **Documents to be Returned**

Suppliers are expected to provide the following information in response to this Further Competition ITT:

* Completed Response Form
* Completed Resource and Pricing Schedule
* Supporting CVs for staff proposed to undertake this commission (no more than 2 pages each)

# EVALUATION CRITERIA

|  |  |  |  |
| --- | --- | --- | --- |
| Quality will account for 40% of the Overall Score. The following scoring methodology will apply:  **5 – Excellent** Satisfies the requirement and demonstrates exceptional understanding and evidence in their ability/proposed methodology to deliver a solution for the required supplies/services. Response identifies factors that will offer potential added value, with evidence to support the response.  **4 – Good** Satisfies the requirement with minor additional benefits. Above average demonstration by the Supplier of the understanding and evidence in their ability/proposed methodology to deliver a solution for the required supplies/services. Response identifies factors that will offer potential added value, with evidence to support the response.  **3 – Acceptable** Satisfies the requirement. Demonstration by the Supplier of the understanding and evidence in their ability/proposed methodology to deliver a solution for the required supplies/services.  **2 - Minor Reservations** Some minor reservations of the Supplier’s understanding and proposed methodology, with limited evidence to support the response.  **1 – Major Reservations/Non-compliant** Major reservations of the Supplier’s understanding and proposed methodology, with little or no evidence to support the response.  **0 - Unacceptable/Non-compliant** Does not meet the requirement. Does not comply and/or insufficient information provided to demonstrate that the Supplier has the understanding or suitable methodology, with little or no evidence to support the response.  **PLEASE NOTE:**  If your response scores 0 or 1 for any one question your overall submission will be deemed as a fail.  Any text beyond the specified page limits below will be ignored and will not be evaluated.  Homes England will not cross-reference to other answers when assessing quality responses. | | | |
| **Number** | **Criteria** | **Demonstrated by** | **Weighting** |
| 1 | **Understanding of Project Requirements**  Please provide details demonstrating your understanding of the requirements of this commission, and your proposed methodology  **PAGE LIMIT:**Maximum 4A4 pages, 11-point Corbel font | A summary of your interpretation of the services and information Homes England requires from this appointment.  An outline of the method and approach of how the commission will be undertaken.  An outline of how you would record and report on Construction Related Deadlines as they occur (example template reports can be appended to submissions in addition to the page limit).  Indication of how you would approach the management of construction quality (for example, this is aimed at ensuring there is no dilution in quality between the ‘Approved Plans’ and the scheme actually being delivered on site).  Information on any other Supplier input that may be required or would add value to the commission.  Identification of any other information that may be required.  Where relevant, identify any areas for an innovative approach.  Examples of previous projects may be given with an explanation of how the approach / outcome is directly relevant to this proposal. | 30% |
| 2 | **Staff and other Resources**  Please advise the resource you would allocate to this commission (time and staff). Provide a short summary of your experience in carrying out similar commissions, citing specific examples where relevant.  **PAGE LIMIT:**Maximum 2A4 pages, 11-point Corbel font plus CVs (maximum 2 A4 pages per person) | Who will undertake and be responsible for the commission and why have they been chosen?  Identify key members of staff allocated to the required services eg site visits and technical inspections, meetings, report writing etc  How much time will they devote to this commission and balance responsibilities with other commitments?  Supported by resourcing information provided in the Resource and Pricing Schedule (Annex H)  Supported by CVs for key members of staff (maximum 2 A4 pages per person) | 10% |

|  |  |  |
| --- | --- | --- |
| Price will account for 60% of the Overall Score. The lowest price will gain the maximum marks with other prices expressed as a proportion of the best score using the maths explained in the worked example below. | | |
| **Criteria** | **Demonstrated by** | **Weighting** |
| Price | Completed Resource and Pricing Schedule (Annex H) | 60% |

1. **Worked Example**

**How your quality scoring will be used to give a weighted score**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Bidder | Question | Score out of 5 | Weighting | Weighting Multiplier | Weighted Score | Total Weighted Score |
| Supplier A | 1 | 3 | 30% | 6 | 18 | 26 |
| 2 | 4 | 10% | 2 | 8 |
| Supplier B | 1 | 5 | 30% | 6 | 30 | 38 |
| 2 | 4 | 10% | 2 | 8 |
| Supplier C | 1 | 2 | 30% | 6 | 12 | n/a (fail)\* |
| 2 | 1 | 10% | 2 | n/a |

\* in the example above Supplier C’s pricing will not be scored as the score of 1 on question 2 is a fail

**Worked example of how your price will be used to calculate a score**

|  |  |  |  |
| --- | --- | --- | --- |
| Bidder | Form of Tender price | Lowest price/Supplier’s price (as %) | Price Score (out of 60) |
| Supplier A | 350 | 350/350 = 100% | 100%\*60 = 60 |
| Supplier B | 700 | 350/700 = 50% | 50%\* 60 = 30 |
| Supplier C | 250 | n/a\* | n/a |

\* in the example above Supplier C’s pricing will not be scored as the score of 1 on question 2 is a fail

**Worked example of Overall Score and Ranking**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Bidder | Total Quality Score | Price Score | Total Score | Ranked Position |
| Supplier A | 26 | 60 | 86 | 1 |
| Supplier B | 38 | 30 | 68 | 2 |
| Supplier C | n/a | n/a | n/a | n/a |

# Part 3

# 3.1 RESPONSE FORM

|  |  |
| --- | --- |
| **Framework:** | [Supplier to insert] |
| **Project Title:** | [Supplier to insert] |
| **ProContract Identification Number:** | DN [Supplier to insert] |
| **Supplier:** | [Supplier to insert] |
| **Date:** | [Supplier to insert] |

To enable your tender to be evaluated, we require Suppliers to respond to the questions below whilst making reference to the evaluation section above, the Services & Key Deliverables section, and the Compliance Scope of Services (Annex F).

Please refer to the evaluation section for page limits for each question. Any text beyond this will be ignored and will not be evaluated.

Homes England will not cross-reference to other answers when assessing quality responses.

|  |  |
| --- | --- |
| |  | | --- | | **1. Understanding of Project Requirements** | |
| **2. Staff and other Resources** |
|  |
|  |

# 3.2 RESOURCE AND PRICING SCHEDULE (Annex H)

Excel spreadsheet to be provided by the Supplier in response

enquiries@homesengland.gov.uk

0300 1234 500

gov.uk/homes-england