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Homes England Delivery Partner Dynamic Purchasing System

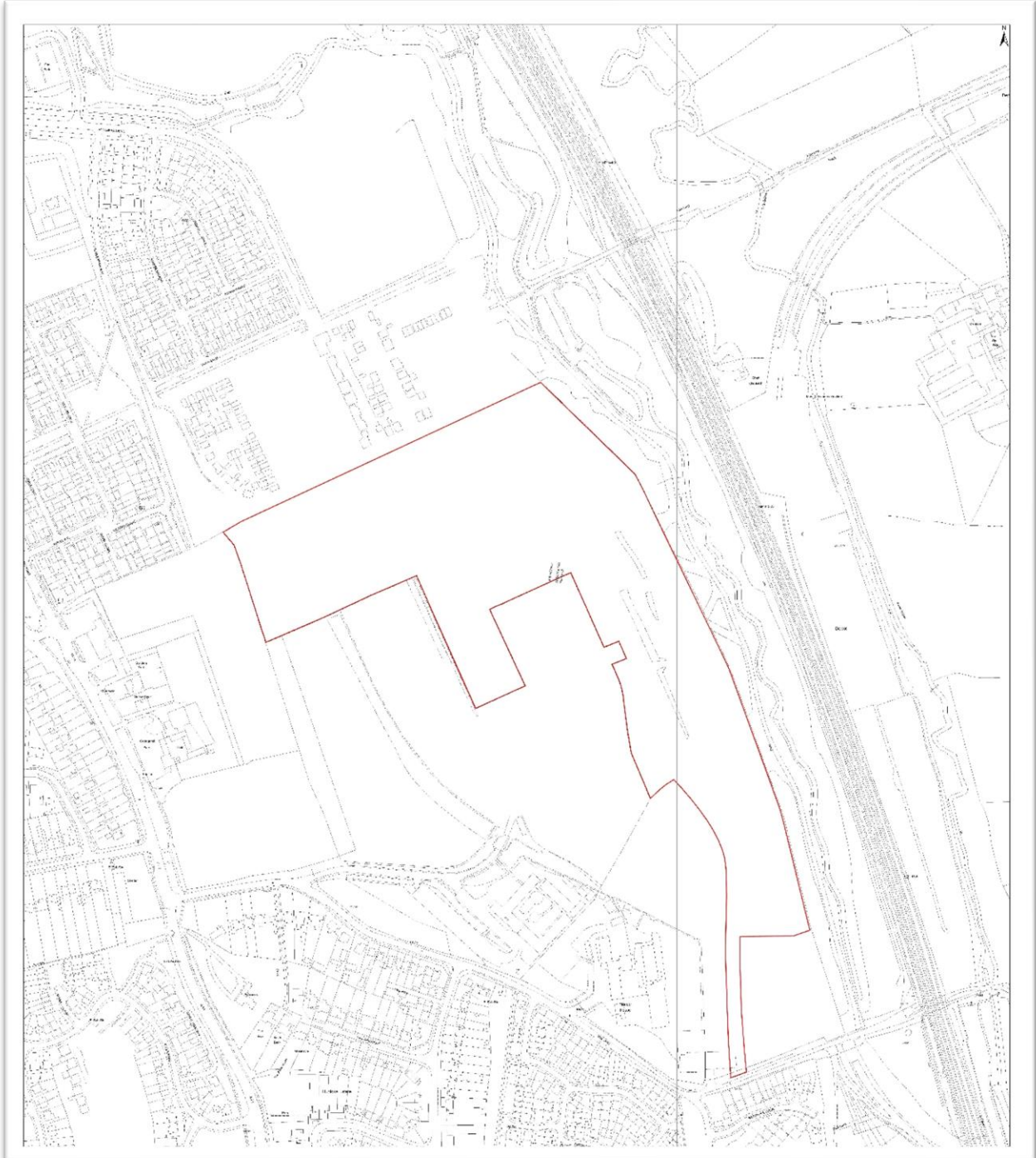
Invitation to Tender for
The Avenue Phase 2 Residential Land
Wingerworth, North East Derbyshire

OFFICIAL

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Development of Homes England Land at The Avenue, Hornbeam Drive, Wingerworth, S42 6GE



Stage 2a: Initial Tender Submission Deadline Friday, 7th October 2022, 5pm

Stage 2b: Full Tender Submission Deadline Friday, 6th January 2023, 1pm

Section 1: Introduction

Homes England is seeking to procure a single Development Partner to deliver the development of its 11.46ha residential development Site located at Phase 2, The Avenue, Hornbeam Drive, Wingerworth, S42 6GE (referred to throughout this ITT as The Site).

This 'Invitation to Tender' (ITT) is part of the Call for Competition procurement process being undertaken by the Homes England in accordance with the DPS Agreement.

You have received this ITT because you are a Member of Homes England's Delivery Partner Dynamic Purchasing System (DPS) and responded positively to the Expression of Interest (EOI) for the Site issued on 13th September 2022.

The ITT is being managed by Homes England's Disposals North team, who will coordinate the e-tendering process and will operate as the primary point of contact for bidders should they require clarifications on the contents of this ITT pack.

Note that this ITT is a Stage 2a and Stage 2b type of ITT. This means that you are invited to respond to the Initial Questions. If you are deemed successful, you will be notified and invited to complete and submit a Full ITT response. If you are not successful at Stage 2a then you will be notified of this and excluded from participating in the remainder of this tender.

Any clarifications regarding the content of this ITT should be issued using the DPS Portal (ProContract).

Section 2: The Site

The Avenue, Hornbeam Drive, Wingerworth, S42 6GE, is the site of the Former Avenue Coking Works in North East Derbyshire. The 98ha site has undergone a remediation and transformation after significant investment by Homes England and its predecessors over the last 20 years. The site is now home to the successful residential development by Tilia Homes and The Avenue Country Park, an extensive parkland and wildlife reserve. The 70ha Country Park includes mature woodlands, hedgerows, meadows, marshland, wetland, sustainable urban drainage system and sports pitches.

The 28ha development platform, created as part of the remediation and landscaping works, benefits from the outline planning permission ref: 13/00386/OL as varied by S73 planning permission ref: 16/00525/OL. S106 Agreement is also in place. The permitted development includes 489 newbuild dwellings, including 20% affordable homes, 2.8ha of commercial land for employment uses, and 1.8ha school/community use.

Location

The Site is located circa 2 miles south of Chesterfield in the village of Wingerworth, immediately east of A61 Derby Road. Sheffield, Mansfield, Nottingham and Derby are all within commuting distance.

Wingerworth has a population of circa 6,500 and offers amenities including local shops, a medical centre, Post Office and Library. Chesterfield provides a large number of amenities including Ravenside Retail Park, Cineworld Cinema, Vicar Lane Shopping Centre and Queens Park Sports Centre all within a 10 minute drive

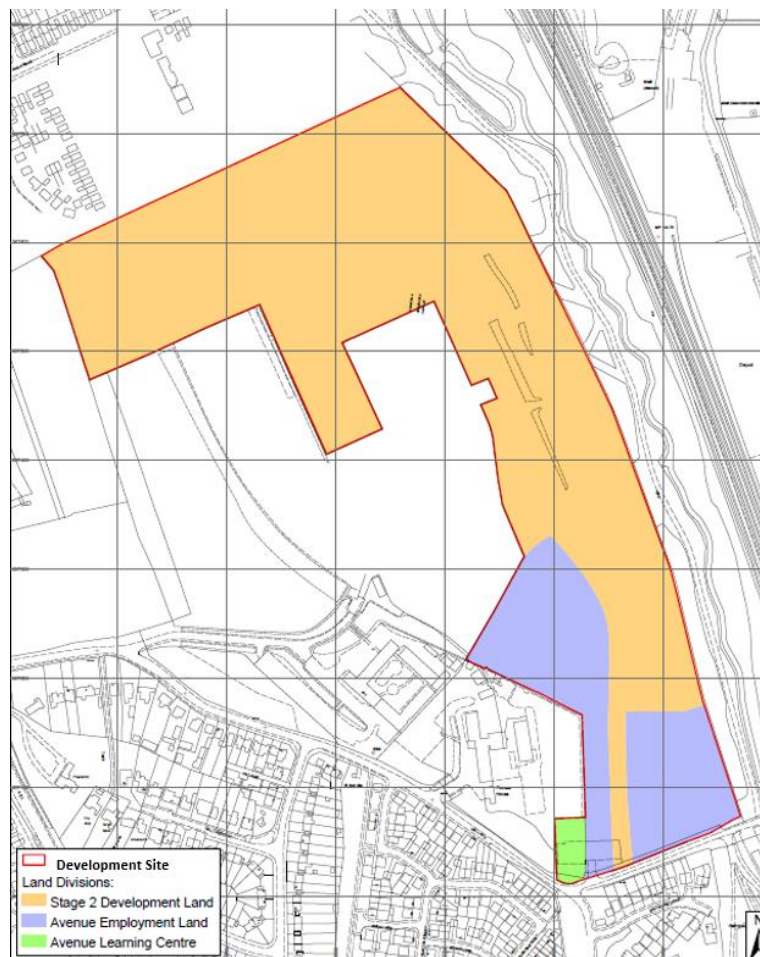
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from the Site. The Peak District National Park is a 15 minute drive to the west. Chesterfield Train Station is located 2 miles north of the Site, providing regular services to Sheffield, Nottingham, Leeds, Bristol, Newcastle and London St Pancras International (Circa 2 hours). Bus stops on Derby Road provide regular services to Chesterfield and Derby. Junction 29 of the M1 Motorway is under 4 miles away to the east.

The Development Opportunity

The Site is the last residential element of the development platform created by Homes England. The Site is shaded orange on Plan 1 below. It lies immediately south of the first residential phase under construction by Tilia Homes for 252 units. To the east of the Tilia phase a new Primary school will be brought forward, as well as a further 20 units by Mallard Homes. The Avenue Country Park is to the north and east of the Site and the River Rother runs to the east also. Annex 1 provides Avenue parcels composite plan to demonstrate how parcels relate to each other.

Plan 1. Remaining Development Site at the Avenue



SITE ACCESS

The Site is accessed from the north (Hornbeam Drive) through the Phase 1 residential parcel. Emergency and pedestrian access only is available from the south (Mill Lane).

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Tilia's estate road to the northern boundary of the Phase 2 residential parcel has been constructed to base course and this road is the primary access into the Site. According to the latest Tilia Homes construction programme it is expected that the access road to the boundary of Phase 2 residential parcel will be fully completed by January 2023, although this is not guaranteed and could change in line with the Phase 1 delivery programme. The Building Lease for Phase 1 sets a Development End Date by which development of Phase 1, including the access road, should be completed by 1 March 2025. The Lease also reserves rights of access for all purposes over Phase 1 land to Phase 2.

Hornbeam Drive is an adopted highway upto the edge of Phase 1 residential parcel. The S38 Agreement for the estate roads on Phase 1 is expected to be completed imminently.

PLANNING OVERVIEW

The Site sits within the jurisdiction of North East Derbyshire District Council. Derbyshire County Council is the local Highways Authority. The Development Site benefits from the following planning permissions:

Planning Ref	Decision Date	Description	S106
13/00386/OL	7 February 2014	Outline application for mixed use development to comprise of 13.4 ha of residential use providing up to 469 dwellings (including a minimum of 20% affordable dwellings, 2.8 ha of commercial land for employment use (former B1 class), non-residential community uses including 1.8 ha of land for the provision of a primary school and 0.4 ha of land for other community uses; as well as the development of associated access roads, parking, and servicing arrangements.	Dated 7 February 2014
16/00525/OL	28 April 2017	Application for the variation of conditions 3, 21, 22, 31, 41 and 51 imposed by outline permission 13/00386/OL (Departure from the Development Plan). This permission altered Phase 3 from community use to residential use and uplifted the total number of residential dwellings up to 489.	Deed of Variation dated 27 April 2017 Deed of Variation dated 4 May 2020 Deed of Variation dated 20 December 2021
		Partners are currently in the process of negotiating a Deed of Variation to the S106 to permit delivery of First Homes on Phase 1 residential parcel. The provision of First Homes is voluntary by Tilia Homes.	Deed of Variation, under negotiation

A Planning Brief for the Site is provided within the Planning Pack.

CONSTRAINTS

The Avenue Project is a remediation and landscaping project undertaken by Homes England and its predecessor bodies that resulted in a development of 70ha Country Park and 28ha development platform. The remediation and landscaping works completed in 2018.

Detailed Health & Safety File (H&S File) for the development platform is provided within the Technical Pack. The H&S File includes detailed information on the works undertaken, including verification reports. The development platform also benefits from the NHBC Land Quality Endorsement Certificate provided in the Technical Pack. Homes England will use reasonable endeavours to procure that the appointed Development Partner receives the benefit of collateral warranties from (1) Volker Stevin Limited, Suez RR IWS Remediation BV and DEC NV, (2) Wood Environment & Infrastructure Solutions UK Limited (previously Entech) and (3) Jacobs U.K. Limited pursuant to a Remediation and Landscaping Contract affecting the Development Site. Forms of the warranties are provided within the Technical Pack.

Interested parties should note that treating mine workings that may exist at the Avenue Site, including the development platform, was outside of the scope of the Avenue Remediation and Landscaping project. The appointed Development Partner will be responsible for dealing with mine workings as part of their works.

The reports and plans related to both outline planning and S73 permissions can be obtained from the NEDDC Planning Portal.

Homes England has commissioned Tetra Tech and Design Midlands to provide a number of reports to supplement the Health & Safety File and outline planning information. Those additional reports include:

- Phase 1 and Phase 2 Ground Investigation, including gas monitoring
- Preliminary Ecological Appraisal Report and subsequent surveys as required
- Preliminary Utilities Assessment, including Yorkshire Water sewer capacity study
- Key technical constraints plan
- Building for Healthy Life Assessment including a Parcel Code

Bidders must review Technical Pack provided and planning requirements to identify Site constraints.

Great Crested Newts are present on Site. District Level Licence quotation from Natural England has been provided within the Technical Pack. The quotation is valid for 3 months only. Bidders are to determine the best Great Crested Newts mitigation strategy and price such strategy within their proposals.

Legal Title Pack has been provided. Bidders are to rely on their own title review and dealing with identified title matters. Any title indemnity insurance deemed necessary by bidders must be included within their bid proposals.

Bidders are expected to identify, appraise, and cost dealing with all Site constraints and present conditions as part of their bid submissions and land price offers.

TECHNICAL INFORMATION

A Technical Pack accompanies this ITT and is available on ProContract as well as summary setting out the documents in more detail.

Section 3: Homes England Disposal Objectives

In issuing this ITT Homes England's objectives are as follows:

- To receive offers from DPS Members for the Site which are conditioned on reserved matters approval only.
- To exchange contracts on an Agreement to Lease with its selected Development Partner by 31st March 2023 and for the Development Partner to submit a reserved matters application for its tendered scheme no later than 6th February 2024.
- To secure scheme proposals that balance high standards of design quality with the best land value offer achievable that are in compliance with the requirements of this ITT.
- For the appointed Development Partner to demonstrate compliance with Building for a Healthy Life design toolkit principles where the developer must score a minimum of 8 'greens' and no 'reds'.
- For the appointed Development Partner to build out its consented scheme in the shortest timeframe possible (and which, in any event, cannot exceed the maximum housebuild programme of 55 months (4 homes per month blended)).
- For the appointed Development Partner to build out the scheme using a variety of Modern Methods of Construction (MMC) techniques that equal or exceed the minimum MMC threshold of 1 that has been set for this project.
- For all dwellings delivered across the scheme to be sold freehold and therefore free from any ground rent arrangements (with the exception of apartment dwellings).
- For the preferred Development Partner to accept Environmental Liabilities transfer terms.

Section 4: Mandatory Delivery Requirements

The delivery requirement for the Site include:

- The proposals must be in response to and in strict compliance with the outline planning permission. A number of approved plans, including illustrative masterplan, apply to the development.
- The Avenue Outline Application Parameters and Design Principles Document was approved as part of the outline planning permission. Developers must follow the design principles set out in that document.
- The Phase 1 Design Code is considered to have delivered a high standard of design quality within the Phase 1 development which has set a benchmark for the standard of design quality and placemaking. The LPA are keen to ensure that subsequent phases of development respond

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positively to development to date within the character areas which were the focus of the Design Code.

- 217 dwellings remain within the outline consent to be delivered on the Phase 2 residential parcel.
- The Section 106 Agreement requires 20% affordable housing to be delivered. The remaining required number of affordable units to be delivered by the Phase 2 residential parcel is 67. A maximum of 75% of the affordable homes are either Affordable Rented Housing and/or Social Rented Housing. Affordable housing must be delivered in compliance with the terms of the S106 Agreement.
- A number of developer contributions, including financial contributions, are also applicable to the Site pursuant to the terms of the Section 106 Agreement. Those must be accounted for within the bids and paid by the developer.
- A Reserved Matters Planning Application for Phase 2 residential parcel is required to be submitted no later than 6th February 2024.
- The Development Partner is to deliver the estate road up to the edge of the North East Derbyshire Council owned Coal Products Ltd site and drainage capacity within the onsite infrastructure to enable surface water and foul water connections and discharge from the CPL site through the Site. Bidders must include that in the bids.
- The Development Partner is to deliver the estate road up to the southern boundary of the development platform (upto Mill Lane), access points and services capacity for the remaining development parcels (not commercial electricity services capacity).

Section 5: Custom/Self Build

The District Council is keen to encourage self and custom build development in the area.

Self-build developments are those where individuals or groups of individuals organise the design and construction of their house themselves. This can take place on small individual developments, or serviced plots can be made available on larger developments.

Custom building is where the individual or groups of individuals commission their home from a developer, whilst being in control of making key design and layout decisions. The home is constructed by the developer. Design guides can be agreed through the planning application process, setting the parameters for the different styles and sizes of houses which the individual can choose from.

There is a District-wide demand of more than 100 plots, with several individuals specifying Wingerworth as a preferred location. The inclusion of serviced self-build plots or custom build opportunities at the Avenue Site would be seen in a positive light by the Council, offering clear benefits to an overall development scheme

The provision of any custom build or self-build plots is not mandatory and will not be marked in this tender.

Section 6: Design Guidance

In addition to those objectives outlined above, Homes England wants bidders to demonstrate high standards of design quality across their tendered schemes.

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The National Design Guide (MHCLG, Jan 2021) outlines the Government's priorities for well-designed places, which developers should give recognition to in preparing their scheme design.

Homes England's preferred method of measuring good design is based upon the Building for a Healthy Life toolkit (or its successor). The following narrative is provided as a source of guidance for bidders regarding the Building for a Healthy Life related design principles and influences that the Agency would like to see incorporated into bidder proposals.

The Phase 1 Design Code is considered to have delivered a high standard of design quality within the Phase 1 development which has set a benchmark for the standard of design quality and placemaking. The LPA are keen to ensure that subsequent phases of development respond positively to development to date within the character areas which were the focus of the Design Code.

A Site-specific Building for a Healthy Life baseline assessment and guidance is provided in the Technical Pack. The baseline assessment considers that the Site is capable of achieving 8 'greens' and provides commentary and guidance on how this can be achieved. Bidders must follow that guidance in drawing up their proposals. All bids will undergo a design review during the bid assessment to confirm their compliance with BfHL minimum score requirements. Bids that are assessed as not meeting the minimum score requirement will fail the overall bid assessment and will not be considered further.

Creating Attractive & Resilient Places

Tendered schemes should adopt an inclusive and sustainable vision which demonstrates how they will meet local housing need and contribute to the character and quality of the local area.

The scheme should be locally or otherwise distinctive and be developed at the appropriate scale to include active frontages onto streets and open spaces in order to create a positive and animated public realm.

Proposals should accord with the Avenue Outline Application Parameters and Design Principles Document requirements, parameter plans and conditions attached to the extant planning approval for this Site. The planning decision notice is provided in the Technical Pack accompanying this tender. The scheme should include appropriate placement of potential infrastructure, such as pumping stations, sub-stations and sales outlets, in order to complement the overall design layout.

Character

Tendered proposals should aim to create places which strike a balance between being distinctive yet draw on the character of their surroundings.

The scale and design of proposed buildings should be approached in a balanced, holistic way, ensuring that the visual impact of the development enhances its context and surroundings. The development should seek to integrate built form and townscape characteristics drawn from the local area.

Accommodation mix and tenure mix

Proposals should incorporate an appropriate range of different housing types, with a majority in response to identified housing need.

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The use of standardised house designs is acceptable. However, Homes England welcomes the re-elevation of standard house designs and the use of feature house types, taking cues from the general layout and architectural styles of properties in the surrounding area.

In line with the S106 agreement, the development is required to include 67 affordable homes. A maximum of 75% of these units are to be allocated as Affordable Rent and/or Social Rent Housing.

Access

Proposals should show vehicular accesses into the Site through the new spine road currently being constructed by Tilia Homes, in accordance with the outline planning consent, with any proposed pedestrian / cycle connections being clearly marked as part of your layout proposals. The spine road must carry on to the edge of Coal Products Ltd site to the west of Phase 2 and must be constructed without any ransom strip, so that development of the CPL site could connect straight into the spine road seamlessly.

The estate road must be constructed by Phase 2 developer upto the edge of the development platform on the southern boundary and provide ready made access points for employment use parcels.

No vehicular access is permitted from Mill Lane as per the outline planning consent.

Street and Parking

Your scheme should show access routes through the development which should permit legible pedestrian and cycle movement, as well as vehicular, and aim to create a clear street hierarchy to guide all road users. The internal road network should be designed to adoptable standards without compromising a high-quality layout.

Parking provision should be delivered in a variety of configurations, which are always sensitive to the needs and convenience of residents.

Density

Consideration should be given to suitable housing densities, mindful of Site coverage, but appropriate to the Site's context and the planning permission and associated parameter plans. Density should be the product of a design, not the driver.

Promoting sustainable lifestyles

Creating a sustainable and inclusive development is a fundamental part of what Homes England wants to achieve across the Site. Through improved pedestrian and cycle connections and paths, we want to encourage alternative, sustainable modes of movement and reduce car dependency for local journeys.

Green/ blue infrastructure and biodiversity

Tendered proposals should seek to maintain or enhance the framework of open spaces across the Site by retaining natural features of value wherever possible.

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The placemaking approach applied in your scheme should seek to embed a sense of connectivity with the surrounding landscape and create open space that combines uses and has the potential to bring communities together and boost health and well-being.

Landscaping design approaches should detail the ways in which spaces can be used whilst being sensitive to the potential presence of protected species on Site and in the surrounding areas.

Purpose of Open Space / Play Space and its Management

Consideration should be given to the purposefulness of the open space and play spaces, together with its long-term management. Every element of open space should aim to contribute positively to the scheme. Successful open spaces frequently combine more than one use and are multi-purpose.

Your proposals should seek to design out all forms of incidental open space – which are often poorly maintained and can become unsightly. There should also be good delineation between the curtilages of properties and open spaces/ public realm in order that there is clarity over who should be responsible for managing all spaces within the development.

Biodiversity

Where possible, schemes should aim to enhance biodiversity through new habitat creation – which will serve to benefit both the development itself and the existing local landscape.

Until the Environment Bill provisions take effect, Homes England and our preferred Development Partner will be planning policy compliant on biodiversity net gain according to the relevant Local Plan and secured planning permission, unless there are sound commercial and place-making reasons to deliver a more ambitious approach.

Water Management

Proposals should seek to manage surface water and drainage in a sustainable and ecologically beneficial way. Sustainable Drainage Systems (SuDS) has been provided within the Country Park for the development to discharge the surface water into. Rights to connect and discharge have been secured within Homes England/The Land Trust transfer, so no requisition is required. Connections are to be designed and made by the developer. Suitable proposals must be reflected in your tendered scheme.

Commitment to Design Quality

Tendered proposals should achieve high quality design, taking full account of the Site's opportunities and constraints in order to create a distinctive residential environment.

The proposals should identify a planning and design strategy for the Site including details of the proposed in house or externally appointed consultant team and programme schedule setting out the key milestones to planning application submission; the approach to community engagement and consultation; and Design review panel. Design quality must be maintained from tender stage through to delivery on Site. Alongside Building for a Healthy Life (or its successor), proposals must demonstrate evidence of other measures taken to improve and ensure the quality of design.

If, in the opinion of Homes England, there is a discernible drop in the design quality between the tendered scheme and the subsequent reserved matters application pack, which will be submitted by the appointed Development Partner to Homes England for approval, then Homes England reserves the right to require the Reserved Matters application pack to be **referred for Design Review** at the cost to be borne by the appointed Development Partner (expected to cost no more than £5000 for sites above 250 homes, £3000 for sites below 250 homes). This is to ensure that, where possible, the quality of design at implementation stage does not fall below the standards proposed at tender stage.

Section 7: Sustainability Guidance

Homes England wants to appoint Development Partners that are able to demonstrate high standards of sustainability across their tendered schemes. Our expectations that all proposed schemes will be compliant with the relevant sustainability policies (either set by government or the local planning authority) though we welcome tender responses that are able to demonstrate higher levels of ambition to meeting the UK's commitments to net zero carbon and climate change agenda.

Section 8: Modern Methods of Construction

Modern Methods of Construction (MMC) is a term encompassing a wide range of offsite manufacturing and onsite techniques that provide alternatives to traditional house building.

Homes England's latest land disposal guidance recognises that there are currently 7 categories of MMC. These are:

- *1 – Pre-Manufactured 3D Structural Systems*
- *2A – Pre-Manufactured 2D Structural Systems (Closed Panel System)*
- *2B – Pre-Manufactured 2D Structural Systems (Open Panel System)*
- *3 – Pre-Manufactured Structural Components*
- *4 – Additive- Manufactured Structural & Non-Structural Components (3D Printing)*
- *5A – Pre-Manufactured Non-Structural Pods*
- *5B – Pre-Manufactured Non-Structural Components*
- *6 – Traditional Building Product Led Site Labour Reduction/ Productivity Improvement*
- *7 – Site Process Led Site Labour Reduction/ Productivity/ Assurance Improvement*

It is possible for bidders to use more than one of these categories in the building of a single dwelling - for example, a category 2 open panel timber frame system could be developed using Category 6 and Category 7 processes. If your selected build methodology encompasses more than one of the categories outlined

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above, then you should enter the number of properties built using these systems against the category with the highest score weighting.

For example, across a 100 homes scheme, you may be proposing to deliver 20 homes using volumetric systems (category 1) and 80 homes using open panel timber frame systems (category 2b). The timber frame-built homes would also incorporate pre-cast concrete foundations and large format blocks (category 6). In this example, you would enter 20 homes against Category 1 and 80 against Category 2B - resulting in an overall MMC score of 5.2 / 10.

Category	Weighting	No. of Homes in Category	% of Homes in Category	Mark
1 – Pre-Manufactured 3D Structural Systems	10	20	20	2
2A – Pre-Manufactured 2D Structural Systems (Closed Panel System)	6	0	0	0
2B – Pre-Manufactured 2D Structural Systems (Open Panel System)	4	80	80	3.2
3 – Pre-Manufactured Structural Components	1	0	0	0
4 – Additive- Manufactured Structural & Non-Structural Components (3D Printing)	2	0	0	0
5A – Pre-Manufactured Non-Structural Pods	2	0	0	0
5B – Pre-Manufactured Non-Structural Components	1	0	0	0
6 – Traditional Building Product Led Site Labour Reduction/ Productivity Improvement	1	0	0	0
7 – Site Process Led Site Labour Reduction/ Productivity/ Assurance Improvement	1	0	0	0
TOTAL		100	100	5.2

Further guidance can be found in the following link:

<https://www.gov.uk/government/publications/modern-methods-of-construction-working-group-developing-a-definition-framework>

Section 9: Contracting Structure

The contractual arrangements around this Site disposal are in accordance with Homes England's standard approach in so far as they will involve the selected development partner entering into:

- An Agreement for Lease
- A Building Lease (including a Deed of Overage)

The developer's main obligation under the Agreement for Lease will be to obtain a reserved matters consent within a specified time period. Once the obligations under the Agreement for Lease have been discharged, the Building Lease will be completed. The Development Partner will be obligated to start on site within a fixed period following draw down of the lease – and once the development has commenced – it must achieve the practical completion of all dwellings in accordance with the programme it has tendered (which, in any event, cannot exceed 55 months).

The Development Partner will also be contractually obliged to develop the scheme in accordance with the MMC techniques / specifications and other requirements set out in its tender response to this ITT. A minimum MMC threshold of 1 has been set for this project.

Payments of the agreed price premium must be made in accordance with the timings set out within the developer's tender. Deferred payment offers will be assessed on an NPV basis, using discount rate of 3.7%.

Under Homes England's approach to land disposals, overage will be used as a mechanism for rewarding developers who build at pace.

In this regard, if the developer completes their scheme to the exact date set out in the contract – overage will be shared on a 50:50 basis. If the developer completes the scheme faster than the contracted date, then they will receive an increased share of overage (up to a cap of 70%) and if they complete the scheme slower than the contracted date, they will receive a lesser share of overage (down to a lower threshold of 0%). The faster the scheme is completed, the greater the share received and the slower the scheme is completed the lesser the share.

Delivery Partners will be given a 10% time tolerance on the contracted completion date. If they complete the scheme late – however within this 10% tolerance – the only impact will be that their share of overage will be less than 50% (with their actual percentage share being determined based on how late within the 10% time window they complete). Delivery Partners completing after the 10% time window may be subject to forfeiture.

Extensions of time to the contracted target completion date will be granted to Delivery Partners should matters outside their control occur that cause unforeseen delays to the programme.

Section 10: Development Finance

Homes England want to support small and medium-sized enterprises and innovative developers and housebuilders to build more quickly and to create great communities. The Levelling Up Home Building Fund offers finance from £250,000. Further information can be found on the following website:

<http://www.gov.uk/guidance/levelling-up-home-building-fund-development-finance>

Section 11: Development Partner Responsibilities

The following section sets out the services that Homes England's selected Development Partner would be required to perform and describes mandatory points that bidders must address within their tender submissions.

Delivery Partner Duties

- Secure Reserved Matters approval for their scheme, the basis of which must be consistent with the scheme tendered to Homes England as part of this ITT.
- Implement, in full, the Reserved Matters approved scheme.
- Comply with and otherwise discharge all appropriate planning conditions associated with the scheme.
- Discharge payment of the scheme's agreed S106 cost.
- Pay all Stamp Duty Land Tax (SDLT) costs owed in accordance with HMRC requirements. It should be noted that the Site is Opted to Tax – meaning VAT is payable against the purchase price tendered
- Under certain qualifying circumstances, it may be possible for you to request that Homes England dis-applies VAT against the Site. If you intend to do this, you must make this intention clear within your tender submission – along with the rationale that you would make to HMRC.

PLEASE NOTE: In the event that you have a legitimate claim to dis-apply VAT, Homes England would be required to repay all VAT it has claimed associated with its past spend against the Site. Since this would be a non-recoverable cost to Homes England – the cost of the VAT that Homes England would be forced to repay to HMRC would be netted off your financial offer

- Raise the level of finance required to cover the scheme's peak funding requirement – and arrange any credit lines that may be needed to meet cost overruns / cash flow shortfalls
- In respect of the affordable housing elements of the scheme, the developer must identify and work with a Registered Provider partner to take on responsibility for these tenures
- Upon draw down of the Building Lease, coordinate effective management of the Site and discharge all statutory health and safety duties
- Arrange the delivery and management of all construction activities across the Site in compliance with the terms of the planning approval
- Commit to monthly contract monitoring meetings with the Compliance Inspector and Homes England's contract manager
- Secure all appropriate accreditations and warranties for completed dwellings to ensure they are insurable / mortgageable

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- Manage all marketing and sales of dwellings across the Site
- Carry out snagging activities and provide all appropriate maintenance and aftercare services to buyers
- Agree and complete adoption agreements with the relevant Local Authority in respect of key roads within the development and with the local authority or a nominated management company in respect of the scheme's public open spaces
- Comply with any duties / services required of the developer under the terms of the warranty agreements provided to buyers
- Otherwise comply with any and all obligations set out within the Agreement to Lease and Building Lease
- Work with Homes England's technical assessors / researchers to provide and share data if requested

Mandatory requirements to be reflected in tender submission

Bidders are required to tender submissions to this ITT which address the following mandatory requirements:

- Bidders must submit proposals for the Site which 1) comply with the scheme's outline planning conditions and 2) otherwise adhere to all planning policy that is relevant at the time of their reserved matters planning submission including, however not limited to compliance with any sitewide Design Code or Parcel Code, Local Authority sustainability policies
- Demonstrate compliance with Building for a Healthy Life (BfHL) design toolkit principles through a self-assessment where the developer must score a minimum of 8 'greens' and no 'reds'. Please, note Homes England will be verifying BfHL self-assessment scores as part of the tender assessment process, through external BfHL expert assessors.
- The time frame tendered in relation to the period between the commencement of house building and the completion of house building must not exceed 55 months, i.e. the minimum timeframe only relates to house building – and does not include time associated planning, site set up, enabling works / remediation works and sales activities
- Bidders must achieve a minimum score of 1 under the MMC evaluation criteria. Please refer to the evaluation section of this ITT for further details in this regard
- Affordable housing must be tendered on the basis of 67 units with a maximum of 75% of these to be allocated for Affordable Rent and/or Social Rent.
- In regard to financial offers you are expected to complete Tender Form 8 and set out your offer that aligns with the two minimum standards: i) cash offer or ii) deferred payment as set out below.

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Payment	Timing of Payment
5% (or higher) of tendered/agreed premium	Payable on exchange of contracts and the Agreement for Lease as a deposit
10% (or higher) of the tendered/agreed premium	Payable on exchange of contracts and completion of the Building Lease
Full remaining balance	Payable by the earlier of either: <ol style="list-style-type: none"> i. the anticipated mid-point of the housing construction programme (defined as the practical completion of the 50th percentile housing unit) as derived from the bidder's tender submission, or ii. the actual mid-point (in time) of the housing construction programme (defined as the practical completion of the 50th percentile housing unit), or iii. the actual mid-point (by volume) of the sales programme (defined as when 50% of the total units to be developed have been sold)

NOTE:

1. The above sets out the maximum deferred terms offered on this opportunity. Developers will be permitted to structure their offers on terms that provide earlier payment to Homes England which will be assessed on an NPV basis utilising a rate of 3.7%.
2. Whilst the payment profile to be tendered by bidders will link to the 'events' described above, for the purposes of contracting, Homes England will translate these events into fixed dates. The preferred Delivery Partner will then become contractually obliged to make their tendered stage payments to Homes England according to the earlier of these fixed dates and the actual dates. For example, if the midpoint of the construction programme is anticipated to occur at July 2025 according to your tendered programme, but it actually occurs in February 2025, then your balancing payment would become due in February 2025. However, if the midpoint of your construction programme actually occurs in October 2025, then you are required to make the balancing payment in July 2025.
3. Homes England reserves the right to amend the above minimum requirements as a result of bidder's financial capacity at any stage during stage 2b of the tender
4. We will undertake a financial appraisal of bidders in line with section 5 of the Delivery Partner Dynamic Purchasing System Agreement. The purpose of the Tender Financial Appraisal is to assess whether bidders have sufficient financial strength and capacity, both to undertake the relevant project and to make payments to the Agency on deferred terms. Dependent upon the requirements of this project, the outcome of the financial appraisal and a bidder's existing and anticipated credit exposure to the Agency compared to defined credit exposure thresholds:
 - a. A bidder may be requested to provide a guarantee from a parent company or other body if necessary.
 - b. A bidder's tender response may be excluded from the evaluation.

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- c. A bidder's proposal for deferred payment terms may be excluded from evaluation, meaning that their tender can only be evaluated based on upfront payment terms.
- The performance of the Development Partner will be monitored through the duration of the build programme by a Compliance Inspector. The cost of the Compliance Inspector will be met by Homes England.
 - Bidders are prohibited from including ground rents as part of their sales / revenue strategy for the scheme (unless demonstrated as being necessary in respect of flatted accommodation, etc...).
 - Bidders must populate and submit all Tender Forms provided for this specific ITT.
 - Bidders must provide a written submission in support of their Tender Forms responses – and use this written submission to set out the various information requirements referred to in Section 13.
 - Provide all supporting plans, dwelling layouts, appraisal print outs and CGI images / drawings / photos required in support of your written submission.
 - Deliver the spine road up to the edge of the North East Derbyshire Council owned Coal Products Ltd(CPL) site and drainage capacity within the onsite infrastructure to enable surface and foul water connections and discharge from the CPL site through the Site.
 - To deliver the estate road up to the southern boundary of the development platform (upto Mill Lane) and services capacity for the remaining development parcels (excluding commercial electricity supply).
 - Take legal transfer of all Environmental Liabilities, as per the Heads of Terms. It is standard Homes England requirement on all its site disposals, that Environmental Liabilities are transferred to the buyer. Bidders are required to confirm acceptance of this term as part of their bid submission. Acceptance of this term is a pass/fail criteria of the tender assessment.
 - Procure and pay for any title indemnity insurance if deemed required by the bidder.

Section 12: Stage 2a: Initial Tender Submission Guide

Stage 2a is the first scored section of this call for competition process. The aim of stage 2a is to reduce the number of competing developers to a maximum of 6. Developers are asked to respond to the initial questions listed in this section by the deadline of 7th **October 2022**. Responses to these questions will be evaluated and developers will be notified of the outcome via ProContract. The successful developers will be invited to complete stage 2b of this ITT.

Scored Questions

QUESTION 1	
Opportunities & Constraints	<u>Max score</u>

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<p>To demonstrate your understanding of the Site and its context, please, list out those matters which you regard as the Site’s key opportunities and constraints.</p> <p>In regard to each, please state how your organisation would seek to use the Site’s identified opportunities to maximise benefits across the development or else what you believe needs to happen to protect against / manage the Site’s identified risks / constraints.</p> <p>PAGE LIMIT: 3 A4 pages (Arial size 12)</p>	40%
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Notes regarding the scoring of this question:

The written response must be clear, comprehensive and well presented and should satisfy the principals of Building for a Healthy Life.

Bidder’s responses will be scored according to how well they respond to each of the individual requirements set out within the question.

Highest marks will be awarded to the bidder who demonstrates a clear understanding of key opportunities presented by the Site (and how their organisation would seek to exploit / take advantage of these opportunities) and who reflects a good understanding of the issues that might prove to be constraints or risks to the Site / development (and what they would propose as measures for managing these risks).

QUESTION 2

<p>Quality Factors and Scheme Composition</p> <p>Homes England is keen to understand your views on the type of product that you regard as appropriate for the Site.</p> <p>Accordingly, Bidders are asked to please provide the following information:</p> <ul style="list-style-type: none"> • <i>Confirmation of the housing numbers you would seek to deliver (acknowledging the capped numbers under the outline consent).</i> • <i>A summary of the type of accommodation and mix of dwellings you would propose as appropriate for the scheme (i.e. listing the dwelling type, indicative sq.ft size, and bedroom number).</i> • <i>Layout plans and – if available – CGI images or photos of the dwelling types you are proposing in your schedule of accommodation (PLEASE NOTE – this is not mandatory and you will not be scored down if you do not provide this information).</i> 	<p><u>Max score</u></p> <p>40%</p>
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<ul style="list-style-type: none"> • <i>With regard to open space, please describe the features and materials you would seek to incorporate into your open spaces across the scheme. Please also describe how you would ensure it is maintained for the long-term benefit of the residents.</i> • <i>The estimated range of sales values you would expect to achieve for each of your proposed house types – and who you would typically expect to be the core market audience for your product.</i> • <i>The MMC construction method or methods that you intend to utilise, the envisaged score you think your solution will provide (bearing in mind the minimum MMC threshold for this phase is 1.</i> • <i>Experience with Modern Methods of Construction (MMC) should be summarised with examples of schemes. The type(s) of MMC you intend to utilise should be clearly identified.</i> • <i>Examples of previous schemes where you have delivered the types of product you have proposed as part of your answer to this question.</i> <p>PAGE LIMIT: 4 PAGES OF A4 MAXIMUM PLUS LAYOUT PLANS & CGI IMAGES IF AVAILABLE (Arial size 12)</p>	
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Notes regarding the scoring of this question:

The written response must be clear, comprehensive and well-presented and should satisfy the principals of Building for a Healthy Life.

Bidder’s responses will be scored according to how well they respond to each of the individual requirements set out within the question.

Highest marks will be awarded to the Bidder who propose a scheme where the density, price points, approach to open space and approach to dwelling types would be best suited to this location – and who are able to succinctly describe the thought process / rationale that has influenced their approach in this regard.

QUESTION 3

<p>Homes England is keen to understand your understanding of the risks and how you would intend to take forward this Site if you were selected as the preferred Development Partner. These may include matters identified in response to Question 1 but other examples may include market risks and supply side risks in the current market.</p> <p>Examples of how you have mitigated similar risks on previous sites you have delivered should be included.</p>	<p>Max score 20%</p>
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PAGE LIMIT: 2 PAGES of A4 MAXIMUM (Arial size 12)	
<p>Notes regarding the scoring of this question:</p> <p>The written response must be clear, comprehensive and well presented.</p> <p>Bidder's responses will be scored according to how well they respond to each of the individual requirements set out within the question.</p> <p>Highest marks will be awarded to the bidder who proposes a scheme where the density, price points, approach to open space and approach to dwelling types would be best suited to this location – and who is able to succinctly describe the thought process / rationale that has influenced their approach in this regard.</p>	

Unscored Questions

QUESTION 4	
<p>Homes England is keen to understand how you would intend to take forward this Site forward if you were your identified as the preferred Development Partner.</p> <p>Bidders are asked to provide information on the following:</p> <ul style="list-style-type: none"> Details of any Affiliated Entities Details of the respective shareholdings between the parties of the proposed vehicle <p>PAGE LIMIT: 1 PAGE of A4 MAXIMUM</p>	<p>Max score N/A</p>
<p>Notes regarding the scoring of this question:</p> <p>The written response must be clear, comprehensive and well presented.</p>	

Only 'Scored Questions' will be evaluated using the 0 - 5 marking system as follows:

Assessment Summary	Mark	Interpretation
Excellent	5	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.
Good	4	Satisfies the requirement with minor additional benefits. Above average demonstration by the Tenderer of the understanding and evidence in their ability/proposed methodology to deliver a solution for the required supplies/services. Response identifies factors that will

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		offer potential added value, with evidence to support the response.
Acceptable	3	Satisfies the requirement. Demonstration by the Tenderer of the understanding and evidence in their ability/proposed methodology to deliver a solution for the required supplies/services
Minor Reservations	2	Satisfies the requirement with minor reservations. Some minor reservations of the Tenderer's understanding and proposed methodology, with limited evidence to support the response.
Serious Reservations / Non-Compliant	1	Satisfies the requirement with major reservations. Major reservations of the Tenderer's understanding and proposed methodology, with little or no evidence to support the response.
Unacceptable / Non-Compliant	0	Does not meet the requirement. Does not comply and/or insufficient information provided to demonstrate that the Tenderer has the understanding or suitable methodology, with little or no evidence to support the response.

Once a mark out of 5 has been assigned to your response, that mark will be multiplied by the weighting given to each individual question to arrive at a percentage score.

The percentage scores / weightings available for each question are as follows:

Question 1 – Opportunities & Constraints – 40%

Question 2 – Scheme Composition – 40%

Question 3 – Risk – 20%

For example, a mark of 3 out of 5 for question 1 would achieve a percentage score of 12% (out of the 20% available). This is calculated as follows: $3 / 5 = 0.6$. $0.6 \times 20\% = 12\%$.

Similarly, a mark of 4 out of 5 for question 2 would result in a percentage score of 32% (out of the 40% available) – i.e. $4 / 5 = 0.8$. $0.8 \times 40\% = 32\%$.

Please note section 2b should only be completed if you are notified on ProContract to continue to the next stage. For information the timetable is as follows:

Milestone	Date
Deadline for Stage 2a Responses	7th October 2022, 5pm
Notification to submit Stage 2b tender	24 th October 2022

Section 13: Stage 2b Full Tender Submission Guide

You will be notified whether you have been successful at Stage 2a and be invited to complete and submit your response to the Full Tender. Stage 2b will involve the completion and submission of Tender Forms and a Written Submission by the deadline of **6th January 2023, 1pm**.

This document is supported by the Delivery Partner DPS Evaluation Scoring Guidance. This document is intended to help bidders understand what information Homes England expects you to submit as part of your tender and how Homes England will use this information to award marks and select a preferred Delivery Partner for this Site.

Tender Forms

This ITT is accompanied by nine (9) Tender Forms which are to be completed / populated by bidders as part of their responses.

TENDER FORM 1: Property & Revenues Form

TENDER FORM 2: Cost Form

TENDER FORM 3: Project Timings

TENDER FORM 4: MMC Scoring Form

TENDER FORM 5: Building for a Healthy Life Guidance & Bid Template

TENDER FORM 6: Legal Clarifications Form

TENDER FORM 7: Conditions Form

TENDER FORM 8: Financial Offer Form

TENDER FORM 9: Affordable Homes Programme 2021-2026 Grant Assumptions

Note that Tender Forms 1, 2, 3, 4 and 9 is a combined document in the form of an editable MS Excel document. Tender Form 5 is an editable MS PowerPoint document and Tender Forms 6, 7 and 8 are individual editable MS Word documents.

Written Submission

Completed Tender Form responses (which are to be provided in MS Excel format) will form a key part of the information that is evaluated by Homes England to determine a preferred Delivery Partner. They will be assessed against the following three assessment themes:

- Pass / fail
- Non-price
- Price

Bidders are asked to provide a track changed mark-up of the template legal documents in MS Word. Any additional comments can be provided in Tender Form 6. It is not intended that Tender Form 6 replicates the mark up.

Bidders are advised that legal documents agreed with Homes England in relation to other transactions DO NOT set a precedent and proposed changes should be site specific.

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Bidders are also asked to provide a Written Submission to support their offer. Written Submissions are an opportunity for bidders to expand upon the responses given in their Tender Forms. The submission should be presented in the form of a single PDF document covering parts 2-7 parts below. Plans prepared in response to Part 1 can be provided separately in PDF format.

PART 1: Scheme Plans & House Types

Bidders should provide:

- **PLAN 1:** A constraints and opportunities plan – with embedded commentary / photos to illustrate the nature of the opportunities / constraints identified. This plan should be provided at 1:500 scale
- **PLAN 2:** A dwelling layout plan which shows the distribution of homes across the Site marked by tenure and type – and with a corresponding embedded schedule of accommodation

The same plan should be used to highlight your car parking layout for the scheme, showing the location of car parking facilities across the development that will serve residents and those that will serve visitors – and with an embedded schedule summarising the number of private and public visitor car parking spaces to be accommodated. This plan should be provided at 1:500 scale

- **PLAN 3:** A street hierarchy plan (i.e. primary, secondary and tertiary streets), which also clearly shows the development's different means of access (vehicular, emergency vehicle, cycle and pedestrian). This plan should be provided at 1:500 scale
- **PLAN 4:** A landscape masterplan capturing the layout and specification details of your proposed public open space / public realm proposals. This plan should include embedded details (text and images) of existing landscape features that will be retained, examples of the proposed street furniture and play facilities (if applicable), details of any biodiversity features you propose to include as part of your scheme and the materials you propose to use across your public realm / public open space. This plan should be provided at a 1:500 scale and can be used as part of your response to sections 1 & 4 of the design assessment
- **PLAN 5:** A plan of your scheme with 3 types of shading – the first to reflect privately owned spaces (i.e. the boundary of the house plots), the second to reflect space that is to be vested with a management company and the third to reflect land that will be adopted by the local authority. This plan should be provided at a 1:500 scale
- **PLAN 6:** A construction and sales phasing plan – showing the proposed location of construction compounds, the location of sales outlets and details of your traffic strategy for managing construction traffic and sales related traffic across the development. This plan should be provided at 1:500 scale
- **SCHEMATIC 1:** CGIs, photos or drawings of a maximum of 4 of the dwelling types you are proposing to use as part of your scheme – which highlight the variety in the typologies you are proposing, the elevational treatments you would seek to adopt and also the boundary treatments you are proposing to establish between the plot and the public realm

Responses to Part 1 is limited to plans / drawings, as referred to above, only

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Part 2: Design

Homes England is using Building for a Healthy Life as the toolkit by which it intends to measure design quality.

In order to demonstrate your approach to design, bidders should:

- Provide a Building for a Healthy Life self – assessment. This should be presented in the form of a table – which provides the following information and achieves the minimum of 8 greens and no reds:
 - Column 1: The BfHL question
 - Column 2: Narrative on how your proposed scheme responds to the BHL question
 - Column 3: The self-assessed rating you have given yourself in respect of the answer you have provided (rating to be provided in the form of green (= fully adheres to the BHL principle), amber (= partially responds to the BfHL principle) or red (= does not respond to the BHL principle) scoring system)
- Populate Tender Form 5 (instructions on how this should be completed are provided in the introductory section of the form)

The self-assessment must be provided in the form of a table and included in the main body of your written submission.

The response to the design assessment must be provided by populating the template provided at Tender Form 5.

This element of the submission will be assessed externally by the panel that prepared the baseline Building for Healthy Life assessment to ensure consistency.

PART 3: Planning & Management

Bidders should:

- Outline why their tendered scheme would be successful in securing a reserved matters planning consent – including details of any interaction they have had with the local authority which has helped them in shaping their proposals for the scheme and which gives them confidence that they would secure planning approval
- Indicate what their long term proposed management arrangements are for all non-saleable parts of the scheme – and confirm the cost of these management arrangements and how they are to be funded (i.e. commuted sum payment netted off the land value, a management company paid for by residents through an annual management fee, etc...)
- In the event of bidders electing to have part of their scheme adopted by the local authority, they must confirm why they believe their chosen landscape materials would be acceptable for adoption

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The responses to this question will be cross referenced against your responses to Section 3 of the Design Assessment (Tender Form 5) and should clearly set out the long-term management arrangements for the proposed scheme.

Responses to Part 3 is limited to no more than 2 A4 pages / 1,000 words

PART 4: Values & Marketing Strategy

Bidders responses to this section should correspond to the information you have provided in the response to Tender Form 1.

Bidders should provide:

- Evidence to verify that their tendered sale values per sq.ft (across all tenures) are achievable
- Why they believe there is sufficient choice in their proposed house type range to maintain buyer interest over the course of the project
- Who they regard as being their core market audience
- The marketing brands they will use and the types of promotional marketing activities they will use to maintain their tendered pace of sales
- Confirmation and evidence that their homes will be mortgageable and insurable (irrespective of MMC technology used), including details if the accreditations that their product types will secure

Responses to Part 4 is limited to no more than 3 A4 pages / 1,500 words

PART 5: Project Risks & Programme Schedule

Bidders should provide:

- A risk register identifying:
 - The bidder's opinion of all the key risks / constraints associated with the project
 - The likelihood of the risk occurring
 - The likely impact of the risk
 - How the risk will be mitigated
 - A summary of the costs (if any) you have allocated to mitigation of the risk and whether these costs are accounted for as contingencies which have been netted off your land value offer
- A development programme schedule (in a gantt chart format of their choosing) which demonstrates time allowances for all work stages associated with the project – and which corresponds to the timing set out in Tender Form 3

Response to Part 6 is to be provided in the form of a table (risk register) and gantt chart (programme)

PART 6: Funding

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Bidder should provide:

- A printout of their organisation's own internal development appraisal and cash flow for the scheme on their preferred payment terms (at Homes England's discretion, we may ask you to provide these documents in an editable format). Homes England reserves the right to request an additional appraisal and cash flow to support an alternative offer should it wish to proceed on this basis.
- Details of the proportion of the scheme's Gross Development Cost that will be met from:
 - The developer's own equity
 - Debt
 - Recycled sales receipts
- In regard to those projects to be funded through debt, bidders must indicate:
 - Who their lender is / lenders are
 - The level of debt to be borrowed
 - Whether this debt is currently in place or still to be approved by the lender
 - In the event of their debt funding having already been approved, please provide evidence
 - What terms of security their investor requires
- Please indicate how any cost overruns that might arise from the scheme would be paid for
- In the event that elements of the Bidder's proposed scheme are to be funded / part funded through forward sale arrangements e.g. affordable housing, PRS the Bidder must indicate:
 - Who their forward sale investor is / investors are
 - The stage payment terms they have agreed with this party
 - The status of the legals between the bidder and forward funder i.e. either no agreement yet in place, or heads of terms agreed, or conditional agreement in place, etc
 - That any forward funder is satisfied with the Golden Brick security arrangements referred to in the legal pack provided by Homes England

Responses to Part 6 is limited to no more than 1 A4 pages / 500 words, with your appraisal and cash flow provided as a separate appendix to your submission

PART 7: Resources and Expertise

Bidders should provide:

- A case study demonstrating their track record for delivering a scheme / schemes of a similar scale and with a similar peak debt / gross build cost to this scheme
- Confirm that they have the necessary in-house staffing, financial and supply chain capacity to successfully resource a project of this scale within the timescales tendered

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- In respect of those members of their consultancy team or sub-contractors who will have either i) design responsibility or ii) will be appointed on the basis of work packages valued at £2m or more:
 - Details of who these organisations are
 - Confirmation that collateral warranties, IPR and step in rights can be provided in the event of the Bidder's withdrawal from the project

Responses to Part 7 is limited to no more than 2 A4 pages / 1,000 words

Other Considerations

Future Homes Standard - Changes to Part L, F & O of the Building Regulations & Future Homes Standard

A requirement of this tender process is that Bidders are invited to submit land value offers to Homes England that reflect the building regulations that are in place as at the date of the tender submission.

Acknowledging the Government's climate change commitments, it should be noted there are several housing related policies that are due to come into force. Revisions to building regulations parts F and L and new regulations O and S came into force 15th June 2022. DLUHC has continued to confirm there will be a further consultation on the proposed notional Future Homes Standard specification in 2023 to derive the final performance specification for the published regulations in 2025.

Homes England acknowledges that achieving compliance with the 2022 Parts F, L & O and the Future Homes Standard will potentially have implications for build costs as new homes are to be future proofed with low carbon heating and higher levels of energy efficiency – this consideration may have implications on the land values that developers will offer to landowners.

The provided Tender Form 1 includes fields for bidders to include information regarding the additional costs of implementing these (and other) policies and the impact that these costs may have on the land value of the proposed offer.

This information will inform our evaluation of your bid and will be the only concession Homes England will make toward such costs irrespective of how the future regulations may be written.

Tenure Diversification and the use of Grant Funding from the Affordable Homes Programme 2021-2026

It is recognised that our partners may wish to submit tenders that comprise tenure diversification above the tenure requirements set out in the S.106 agreement and this may trigger the eligibility for grant funding under the Affordable Homes Programme 2021-2026. If you are intending to submit a tender that proposes tender diversification and the inclusion of Affordable Homes grant funding, please consider the following:

- The DPS member submitting the tender will be required to maintain the contractual relationship with Homes England throughout the lifetime of the development. The only legal interest available to any additional RP/ PRS partners will be a sub-lease interest or development agreement until the freehold transfer becomes eligible in accordance with the terms of the building lease

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- Use of Affordable Homes grant funding is only available on the delivery of affordable homes over and above the provision set out in the S.106 agreement and is subject to the status of the overarching grant programme at the time of tender submission
- Where a tender includes the use of Affordable Homes grant funding the bidder **must complete Tender Form 9** detailing the grant assumptions that have been used to support the land value offer
- Value for Money (cost minimisation) is a central consideration in the administration of grant funding, and for this reason in order to be eligible for grant developers must demonstrate that the proposed transfer value (inclusive of any assumed grant) reflects a minimum discount of 10% from the open market value of the property
- Any proposed Affordable Homes Programme 2021 -2026 funded homes and development will otherwise need to be entirely compliant with the Affordable Homes Programme 2021 -2026 [Capital Funding Guide](#) (e.g. tenure and [Nationally Described Space Standards](#)). Where this cannot be demonstrated the tender will not be deemed acceptable

Grant assumptions will be reviewed by Homes England on receipt of your tender submission and in the event the assumed level of grant is deemed unacceptable you may be asked to re-calculate your offer based on revised assumptions provided by Homes England.

More information about applying for grant from the Affordable Homes Programme 2021-2026 is available at <https://www.gov.uk/guidance/apply-for-affordable-housing-funding>.

The completed Tender Forms Written Submission provided by Bidders will be assessed against the following three assessment themes:

- Pass / fail
- Non-price – accounting for 30% of marks
- Price – accounting for 70% of marks

The Bidder who passes each of the pass / fail requirements and who scores the highest unique mark out of 100 will be determined as Home England's preferred Development Partner.

Pass / Fail

Tender proposals put forward by bidders must incorporate all mandatory requirements, as set out in Section 11 of this ITT.

Should Bidders fail to incorporate any of Homes England's mandatory requirements within their scheme proposals and / or fail to provide all information requested by Homes England as part of their submissions, and there is no response to clarifications requested then the Bidder's tender proposal will not be put forward for evaluation against the price / non-price criteria and will be discounted from the remainder of the evaluation and tender process.

At its own discretion, Homes England may consult with the relevant local planning authority to independently ascertain the likelihood of each bidder's tendered scheme securing a planning consent.

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Future homes.

In the event that the local authority does not believe the scheme proposed by the Bidder would secure a Reserved Matters approval, the Bidder's submission, at Homes England's discretion, may be eliminated from the remainder of evaluation and tender process.

Non Price Parameters

Non-price elements of the scoring will account for 30% of marks. The following summarises how scores within the non-price category will be apportioned:

- 10 % Design (based on response to Tender Form 5)
- 10 % MMC
- 10% Bidder's understanding of the technical risks and project constraints

Each element will be marked on the basis of a 0-5 marking scheme as follows:

Assessment Summary	Mark	Interpretation
Excellent	5	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.
Good	4	Satisfies the requirement with minor additional benefits. Above average demonstration by the Tenderer 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.
Acceptable	3	Satisfies the requirement. Demonstration by the Tenderer of the understanding and evidence in their ability/proposed methodology to deliver a solution for the required supplies/services
Minor Reservations	2	Satisfies the requirement with minor reservations. Some minor reservations of the Tenderer's understanding and proposed methodology, with limited evidence to support the response.
Serious Reservations / Non-Compliant	1	Satisfies the requirement with major reservations. Major reservations of the Tenderer's understanding and proposed methodology, with little or no evidence to support the response.

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Unacceptable / Non-Compliant	0	Does not meet the requirement. Does not comply and/or insufficient information provided to demonstrate that the Tenderer has the understanding or suitable methodology, with little or no evidence to support the response.
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Once a mark out of 5 has been assigned to your response, that mark will be multiplied by the weighting given to each individual question to arrive at a percentage score.

PRICE PARAMETERS

Price elements of the scoring will account for 70% of marks. The following summarises how scores within the price category will be apportioned:

- 10% - cost robustness
- 60% - price

Section 14 – Programme Schedule & ITT Milestones

The following programme indicates key milestones within the ITT procurement process:

Milestone	Date
Formal launch of ITT	26 September 2022
Deadline for Stage 2a	7 October 2022
Notification to submit Stage 2b tender	24 October 2022
Deadline for Stage 2b responses	6 January 2023
Evaluation, Clarification and Governance	27 February 2023
Confirmation of Preferred Bidder	28 February 2023
Completion of Agreement to Lease with Preferred Bidder	31 March 2023

Bidders must submit their electronic format tenders via ProContract. **Submission of hard copy documents is not permitted and will not be considered.**

Bidders are required to upload their Stage 2b tenders to ProContract by a time / date not later than **1pm, 6 January 2023**.

All enquiries concerning this ITT should be directed through the ProContract.

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Should Bidders wish to engage with North East Derbyshire District Council planners to discuss their scheme, they should progress a pre-application advice request (which may be chargeable) via the procedures set out in the below link:

<https://www.ne-derbyshire.gov.uk/planning-and-local-plan/planning-permission>

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enquiries@homesengland.gov.uk

0300 1234 500

gov.uk/homes-england

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