



Homes
England



Telford & Wrekin
COUNCIL

Making homes happen

Stage 3 – Invitation to Tender (ITT)

Land at The Hem - Telford

Submission Deadline: 1pm Wednesday 8th December 2021

OFFICIAL

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Invitation to Tender for

Land at The Hem, Nedge Lane, Telford

This Invitation to Tender (ITT) has been issued by Telford & Wrekin Council and Homes England as the third stage of the tender process for the selection of a Delivery Partner for Land at The Hem, Telford. As a member of the Midlands Lot of the Homes England Delivery Partner Panel 3, you have confirmed your **interest, capacity and resource** to bid in a mini competition to undertake the above project.

Client contact details:

All enquiries regarding this opportunity are to be directed to:

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Birmingham

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Please note that in the first instance enquiries must be via Pro-Contract system.

Deadline for return of tender:

Responses to this ITT should be made by 13.00 on Wednesday 8th December 2021.

All responses should be made via ProContract

1. Executive summary

This invitation comprises the third stage of the procurement process being co-ordinated by Telford & Wrekin Council on behalf of Homes England, for the identification of a preferred Delivery Partner to bring forward development of land at The Hem, Telford.

The land is in the ownership of Homes England and sits within the Telford Land Deal, a partnership between Homes England and Telford & Wrekin Council. Under the deal the Council has responsibility for leading on the marketing and disposal of remaining Homes England landholdings in Telford in accordance with the Agency's Land Disposal Policy.

The Council and Homes England are seeking to procure a Development Partner concerning the development of the 37.25 hectare site located at The Hem, Nedge Lane, Telford.

The procurement of a Delivery Partner from the Homes England Delivery Partner Panel 3 has already been through Stage 1 (Expression of Interest) and Stage 2 (Sifting Brief) and this ITT is now being made available to six partners who have been shortlisted following evaluation of the Sifting Brief return.

Homes England owns the Freehold of 37.25 hectares of land situated to the south-east of Telford Town Centre adjacent to the A442 Queensway. The land forms part of an allocation in the Local Plan and an outline planning consent has been submitted to the Local Planning Authority (reference TWC/2020/1056) for the delivery of up to 350 homes over the whole of the allocated site, with 299 of these on the Homes England land the subject of this disposal process.

The successful preferred delivery partner will be expected to enter into Homes England standard legal contracts comprising an Agreement for Lease and Lease for Construction committing them to complete the scheme.

Please contact Stephen Hemming at LSH via Homes England ProContract portal should you have any questions.

Project overview

1.1 Overview of project

The land for sale at The Hem, Telford is part of a larger allocated site identified in the Telford & Wrekin Local Plan under Policy H7 for the delivery of 300 homes. The Homes England ownership being the subject of this disposal extends to 37.25 hectares with two parcels of third party land (outside of this disposal process) making up the remainder of the allocation.

The land is in the ownership of Homes England and sits within the Telford Land Deal, a partnership between Homes England and Telford & Wrekin Council (the Council). Under the deal the Council has responsibility for leading on the marketing and disposal of remaining Homes England landholdings in Telford in accordance with the Agency's Land Disposal Policy.

The project/site has been offered to the DPP3 Midlands Panel and the intention is to select a Preferred Development Partner who will take the site forward through the Reserved Matters planning process and go on to deliver development in accordance with the agreed plans.

Panel Members can bid jointly but one Panel Member will need to assume the position of the Lead. This Lead Panel Member will sign the Project Contract with Homes England and will take full liability for the project. In addition Panel Members will be required to provide a development parcel to an SME developer. For the purposes of this project an SME developer is in accordance with the UK Government definition with a medium sized business being less than 250 employees and an annual turnover of under €50 million or a balance sheet under €43 million, small business being less than 50 employees and an annual turnover or balance sheet under €10 million, and micro business being less than 10 employees and an annual turnover or balance sheet under €2 million.

1.2 Project aims and objectives

The Council and Homes England are seeking a preferred delivery partner to progress a development proposal for the site in accordance with the Outline Planning Application and subsequent Reserved Matters planning consent that is to be achieved by the developer. The key principles of this development opportunity are that;

- Homes England will remain freehold owners of the site and grant an Agreement for Lease/Lease for Construction to the preferred delivery partner;
- The preferred delivery partner will enter into Homes England's standard Agreement for Lease/Lease for Construction;
- The preferred delivery partner will lead the delivery of the scheme in accordance with the approved planning consent and Agreement for Lease/Lease for construction.

The Objectives of the Council and Homes England from this disposal are as follows;

- To receive offers 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 March 2022 and for its selected development partner to secure a reserved matters consent for its tendered scheme with discharge of conditions by December 2022.
- For the development to start on site by April 2023 and to be completed no later than June 2029.
- For proposals to be tendered which commit to Building for Life 12 (a minimum 9/12 green lights).
- To secure the highest possible land value receipt from the disposal.
- For its selected development partner to build out its consented scheme in the shortest timeframe possible.
- For its selected development partner to build out the scheme using Modern Methods of Construction (MMC) techniques (and which, in any event, cannot fall below the minimum MMC threshold set for this project).
- For all houses delivered across the scheme to be sold freehold, and therefore free from any ground rent arrangements.
- For all dwellings to be delivered in accordance with the relevant Part L Building Regulation requirements and Future Homes Standards.
- For the developer to incorporate innovative building techniques as an approach to Net Carbon Neutral development.

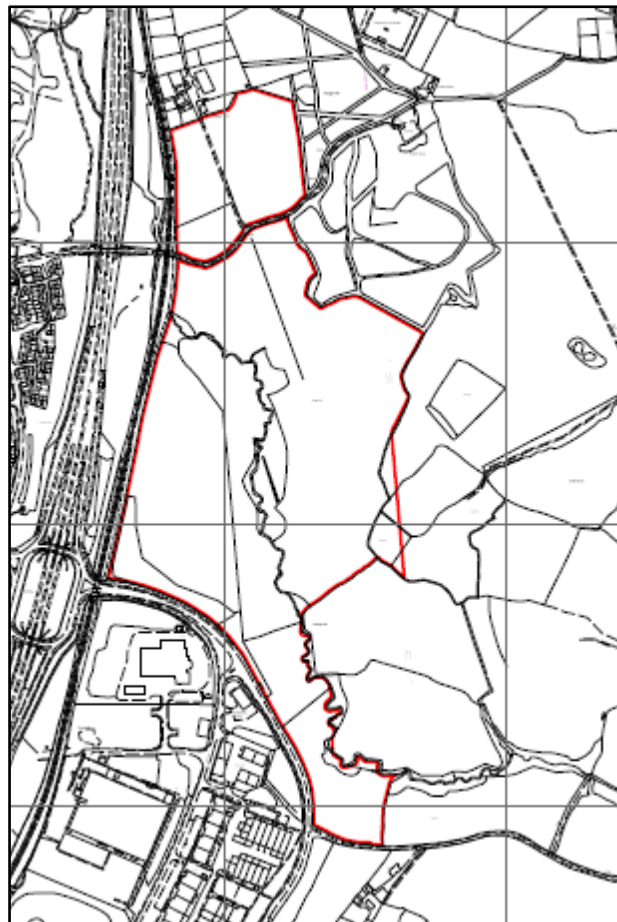
1.3 The site

The site has an area of 37.25ha and is located at The Hem, Nedge Lane, Telford, TF11 9PL as shown in the plan extract below. The site is a large greenfield site approximately 3 miles to the south-east of Telford Town Centre and adjacent to the A442 Queensway. It is approximately 1.4 miles from Junction 4 of the M54 and 3 miles from Junction 5.

The site consists of agricultural and grazing land, part of which is currently let out to a local riding school on licence from Homes England.

It forms part of a wider allocation for development of 300 homes under Policy H7 of the Telford and Wrekin Local Plan. An outline planning application (ref. TWC/2020/1056) was submitted in December 2020 to cover the whole of this allocated site, which includes land in third party ownership, and is currently under consideration. This application is for the erection of up to 350 dwellings, with all matters reserved. The site has woods on the eastern side with open countryside beyond with the industrial area of Halesfield to the south.

A site plan is provided in the data room at Appendix 1.



1.4 General site constraints and considerations

There are a number of constraints affecting the site which are detailed in the Design & Access Statement and Constraints and Opportunities Plan produced as part of the planning application. These constraints are addressed within various documents which are available in the data room.

- Due to the A442 and topography of the site, potential access points are limited with the proposed single point of access being from Halesfield 1 to the south of the site;
- The A442 and rail line separates the site from residential development to the west;
- The site topography and flood zone reduce the area of developable land;
- Adjoining roads and features create barriers to pedestrian movement;
- Existing woodlands, water course, hedgerows, trees and building of local interest require protection and/or buffer zones;
- Green Belt, Local Nature Reserve and Green Guarantee sites require sensitive boundary design.

1.5 Project partners and Governance

As outlined previously, the land is owned by Homes England and sits within the Telford Land Deal, a partnership between Homes England and Telford & Wrekin Council. Under the deal the Council has responsibility for leading on the marketing and disposal of remaining Homes England landholdings within Telford in accordance with the Agency's Land Disposal Policy.

The preferred developer will contract with Homes England with approvals to the disposal process being sought through the Telford Land Board and Homes England.

Homes England will appoint Compliance Inspectors for the development at its own expense, and as such no allowance needs to be made for this in costing the scheme. There will be a requirement for the appointed developer to service the Compliance Inspector's reasonable requests in terms of information and access to the site to fulfil their duties.

1.6 Planning overview

The site forms part of the wider site allocated under Policy H7 of the Telford & Wrekin Local Plan for the delivery of residential development of 300 houses.

Planning application reference TWC/2020/1056 for the delivery of 350 houses was submitted to the Local Planning Authority in December 2020 to cover the entire allocated site which includes land in third party

ownership. Details of the application can be viewed on the Council's website, with copies of application documents available via ProContract.

It is anticipated that the application will be considered by the Planning Committee in October/November 2021, and that it will have been determined prior to grant of Agreement for Lease/Lease for Construction. It is anticipated that the consent will be subject to a s106 agreement.

2. The development opportunity

2.1 Delivery requirements

Panel Members will be expected to have the expertise and capacity to obtain Reserved Matters approval and then deliver the development of the site with final delivery intended by the overall long stop date of April 2029 (75 months) although delivery ahead of this target is encouraged. It is expected that the Development Partner will seek to agree an appropriate mix and level of development through negotiations with the local authority which, while based upon the anticipated outline consent, will be designed in order to maximise the value of the site based on agreed uses. Design standards, any variation in house numbers and mix, etc will be agreed with the local authority and if required Homes England will maintain a level of involvement in the planning process in order to assist in brokering negotiations between the local authority and the Development Partner.

The Council and Homes England will expect the Master Plan and Reserved Matters Application to be developed as part of the Building for Healthy Life process and meet as a minimum 9 out of 12 Green Lights for the process.

Modern Methods of Construction - Bidders are expected to deliver 100% of homes on the site using MMC, and to deliver a minimum MMC score of 5. Bidders should:

- Confirm the MMC score (out of 5) that has been generated upon the completion of Appendix 2
- Provide some narrative against the information they have inputted into Appendix 2 and examples of how these technologies have been used by the bidder on other schemes

The Pace of delivery for the site will be set at 4 homes per month. Developers will be expected to set out how they will achieve this pace of delivery and provide an overall development programme.

The preferred developer will be required to subsequently deliver development in accordance with the approved plans. All costs relating to obtaining planning permission, delivery of the units & infrastructure, sales & marketing and plot transfers & all adoptions will be the responsibility of the appointed developer.

The preferred developer will be expected to identify a suitable parcel of the land for delivery by an SME Developer, and to contract with an SME developer to bring this parcel forward.

The appointed developer will be expected to deliver the necessary infrastructure for the development of the site including provision of access to third party land forming part of the application site. It should be noted that there will be an area of restricted land adjacent to the third party land forming part of the planning application area, with Homes England retaining rights over this land as outlined within the legal documents.

2.2 Role of the Development Partner

It is expected that the Development Partner will seek to agree an appropriate mix and level of development through negotiations with the local authority which, while based upon the proposed outline consent, will be designed in order to maximise the value of the site based on agreed uses. Design standards, any variation in house numbers and mix, etc will be agreed with the local authority and if required Homes England will maintain a level of involvement in the planning process in order to assist in brokering negotiations between the local authority and the Development Partner

2.3 Design requirements

It is expected that the design of the development will reflect the overall parameters set out within the outline planning application, as well as having regard to design criteria for Building for Healthy Life and other applicable standards.

2.4 Other requirements

The disposal will utilise the new Homes England Building Lease which incorporates a number of policy requirements, namely:

- A requirement to achieve an accelerated rate of construction above market rates currently being delivered. The Pace of development has been set at a blended rate of 4 dwellings per month (3 open market sales and 1 affordable);
- A requirement to support the use of Modern Methods of Construction (MMC) within schemes to accelerate construction achieving a minimum MMC score of 5;
- A requirement to incorporate Homes England's requirements in relation to Place Making including requirements relating to Building for a Healthy Life 12 (BfHL 12). Homes England endorse Building for a Healthy Life and use the 12 considerations as part of its evaluation process for selecting bidders for its land disposal programme. Procurement panel partners whose designs ignore BfHL considerations will be marked down in the bidding process.

2.5 Community engagement

Extensive public consultation has been undertaken as part of the process to develop the outline planning application. The preferred developer should reflect this in any public consultation proposed as part of their Reserved Matters application

2.6 Funding available and viability

No current funding is available from Homes England and the Development Partner will be expected to investigate other sources of funding/grants for the site in order to bring forward development in line with the Homes England requirements.

Bidders who are considering acquiring this land for a residential development including grant-funded affordable housing should ensure their proposal meets the requirements of Homes England's grant funding

programme. Currently the Affordable Homes Programme 2021-2026 is now open and participants can submit funding applications either scheme by scheme bidding through continuous market engagement (CME) or through a multi-year Strategic Partnership to access grant for a longer-term development programme.

2.7 Indicative programme

Invitation to Tender released to shortlisted bidders	29 th September 2021
Return of Invitation to Tender	8 th December 2021
Evaluation of Initial Tenders and Post-Tender Clarification Process	From 8 th December 2021
Clarification Interviews (if required)	6 th /7 th January 2022
Notification of Preferred Bidder	31 st January 2022
10 day "Standstill" Procurement Process	14 th February 2022
Commencement of Legal Contracting	14 th February 2022
Enter Conditional Agreement with Homes England	31 st March 2022
Submission of Reserved Matters Application	30 th June 2022
Determination of Reserved Matters Application	23 rd December 2022
Unconditional Contract	3 rd February 2023
Start on Site	28 th April 2023
Completion on Site	30 th June 2029

2.8 Principles of the Project Contract

Homes England will enter into an Agreement for Lease and Building Lease with the preferred developer in a standard form. The proposed Agreement for Lease and Building Lease will be made available on ProContract.

Further detail is provided within section 3.3 below.

2.9 List of technical reports

The majority of reports relating to the site have either been made available previously or are posted on the Local Planning Authority website in relation to the outline planning application, although these reports are also available on ProContract. A proposed letter of Reliance is provided as part of the information.

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The following information/reports are provided:

- Noise Assessment (Atkins) – November 2020
- Air Quality Assessment (Atkins) – November 2020
- Arboricultural Impact Assessment (Atkins) – November 2021
- Amended Tree Protection Plans (Atkins) – April 2021
- Ecological Impact Assessment (TWC) – November 2020
- Topographical survey
- Land contamination Assessment Report (Atkins) – November 2020
- Ground Conditions Report (GCR) Site 1 (TWC) – February 2020
- Ground Conditions Report (GCR) Site 2 (TWC) – March 2020
- Ground Conditions Report (GCR) Site 3 (TWC) – May 2020
- Ground Conditions Report (GCR) Site 4 (TWC) – September 2020
- Transport Assessment (Atkins) – November 2020
- Outline Travel Plan (Atkins) – November 2020
- Utilities Appraisal & Plan (Atkins) – November 2019
- Flood Risk Assessment (TWC) – June 2019
- Flood Risk Assessment Addendum (Atkins) – November 2020
- Landscape and Visual Appraisal (Atkins) – November 2020
- Heritage Statement (Atkins) – November 2020
- Stage 1 Road Safety Audit Report (Atkins) – November 2020
- Road Safety Review (Atkins) – November 2020
- Planning Statement (Atkins) – November 2020
- Design and Access Statement (Atkins) – November 2020
- Coal Mining Assessment (TWC) – November 2020
- Drainage Assessment (Surface and foul water) (Atkins) – November 2020
- Downgrade of Nedge Lane Position Statement (Atkins) – July 2021
- Development Specification (Atkins) – November 2020
- Statement of Community Involvement (Atkins) – November 2020
- Access and circulation plan (Atkins) – November 2020
- Constraints plan including constraints plan sheet 1-9 (Atkins) – November 2020
- Development parcels plan (Atkins) – November 2020
- Existing cross sections (Atkins) – November 2020
- Green infrastructure plan (Atkins) – November 2020
- Illustrative masterplan including sheet 1-9 (Atkins) – November 2020
- Site waste management plan (Atkins) – November 2020
- Drainage Assessment (Surface and foul water) (Atkins) – November 2020
- Downgrade of Nedge Lane Position Statement (Atkins) – July 2021
- Development Specification (Atkins) – November 2020
- Statement of Community Involvement (Atkins) – November 2020
- Access and circulation plan (Atkins) – November 2020
- Constraints plan including constraints plan sheet 1-9 (Atkins) – November 2020

- Development parcels plan (Atkins) – November 2020
- Existing cross sections (Atkins) – November 2020
- Green infrastructure plan (Atkins) – November 2020
- Illustrative masterplan including sheet 1-9 (Atkins) – November 2020
- Site waste management plan (Atkins) – November 2020

Legal documentation including title pack will be uploaded as soon as possible.

3. Selection of the Delivery Partner

3.1 Role of the Delivery Partner

It is expected that the preferred Delivery Partner will have the capacity and resources to carry out the delivery requirements and undertake the key roles that will consist of:

- (a) Following an agreed consultation programme with the local planning authority and other stakeholders to achieve an appropriate reserved matters consent
- (b) Obtaining Reserved Matters approval for an appropriate mix and level of development in negotiation with the local authority
- (c) Discharging all planning conditions associated with the scheme
- (d) Discharging payment of the scheme's agreed S106 cost and CIL payments
- (e) Identifying a parcel of land suitable for development by an SME developer and contracting with an SME developer for delivery of that parcel in general accordance with the overall requirements of the development proposals;
- (f) Satisfying Homes England requirements in respect of
 - The minimum build out pace of 4 a month (blended 3 OMS, 1 Affordable)
 - The minimum MMC specification score of 5
- (g) Paying all 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.
- (h) Raising the level of finance required to cover the scheme's peak funding requirement – and arranging any credit lines that may be needed to meet cost overruns / cash flow shortfalls.
- (i) In respect of the affordable rent and shared ownership elements of the scheme, the developer must identify and work with an RP partner to take on responsibility for these tenures
- (j) Upon draw down of the Building Lease, coordinate effective on-going management of the site and discharge all statutory health and safety duties
- (k) Arranging the delivery and management of all construction activities across the site in compliance with the terms of the planning approval
- (l) Securing all appropriate accreditations (NHBC, etc...) for completed dwellings such as to ensure they are insurable / mortgageable (as per Homes England's Plot Disposal Process – to follow as part of the suite of draft legal documents)
- (m) Managing all marketing and sales of dwellings across the site
- (n) Carrying out snagging activities and providing all appropriate maintenance and aftercare services to buyers

- (o) Agreeing and completing adoption agreements with the 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
- (p) Complying with any duties / services required of the developer under the terms of the warranty agreements provided to buyers
- (q) Otherwise complying with any and all obligations set out within the Agreement to Lease and Building Lease

3.2 Delivery Partner Selection

Homes England will select a single delivery partner for the site based on the information supplied by bidders in response to this Invitation to Tender and any subsequent developer interviews. Submissions will be evaluated by a panel comprising Telford & Wrekin Council, Homes England and Lambert Smith Hampton against the following three assessment themes;

- Pass/Fail
- Non-price- accounting for 30% of the marks
- Price- accounting for 70% of the marks

The bidder who 1) passes each of the pass/fail requirements and 2) scores the highest unique mark out of 100 will be appointed as Homes England's preferred development partner. A breakdown of the relative weighting of each element is provided within section 3.6 below.

Pass / Fail

Tender proposals put forward by bidders must incorporate all mandatory requirements, as set out in Section 3.4 of this ITT. Tender submissions must also include all information required by the Council and Homes England.

Should bidders fail to incorporate any of the Council and Homes England's mandatory requirements within their scheme proposals and / or fail to provide all information requested by the Council and Homes England as part of their submissions, 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 bidding process.

Following submission of ITT responses, the evaluation panel will review the submissions individually and collectively and will, where necessary seek clarifications from bidders on any particular element of their submissions. If necessary evaluation interviews will be held with all bidders, and these are currently scheduled to be held on 6th and 7th of January at the offices of Lambert Smith Hampton, Interchange Place, Edmund Street, Birmingham, B3 2TA. If necessary these interviews will be conducted via Microsoft Teams. Clarification requirements will be provided to bidders ahead of these interviews.

3.3 Project Contract

Homes England will enter into an Agreement for Lease/Building Lease with the selected delivery partner.

On appropriate sign off of a plot/block of a phase, the delivery partner will be able to call for Homes England to transfer the freehold title for the completed unit/block of a phase directly to the end purchaser.

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The delivery partner will be responsible for all VAT and SDLT payable in relation to the Agreement for Lease/Lease for Construction. Bidders should factor this into their offers. Bidders are advised that the site is elected for VAT.

Bidders should also take full account of the title to the site and the matters revealed in the searches in the title pack(s) in making their offers and should not make their offers conditional upon title due diligence.

Homes England standard form of Agreement for Lease and Building Lease has been made available to all panel members as part of the DDP3 Process. A copy of the Homes England's standard form of Agreement for Lease and Building Lease will be available on ProContract.

It is Homes England's intention that the suite of legal agreements will be entered into conditionally with the preferred delivery partner no more than 50 days after selection notification (and by 31st March 2022 whichever is earlier) with the intention to reach un-conditionality and commence delivery as soon as the reserved matters conditions precedent has been satisfied. It is expected that the only area of conditionality within the contract should be receipt of Reserved Matters planning approval. If any bidder should have any concerns in this regard the matter should be raised via the portal, prior to the tender return date.

The Agreement for Lease will be subject to a Condition Precedent requiring Homes England to obtain the relevant legal consents to enable the downgrading of Nedge Lane, with bidders subsequently bearing the costs of any physical changes as part of their development scheme (for the avoidance of doubt, these costs should reflect the proposals within the outline planning application).

The developer will be obligated to start on site within a fixed period of time (date) 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 the overall long stop date of 75 months).

The developer will also be contractually obliged to ensure development of the whole site in accordance with the MMC techniques / specifications set out in its tender response to this ITT.

Overage

Under Homes England 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 ahead of the timescale set out in their tendered programme – then they will receive a 70% share of any overage realised from the scheme. If completion occurs in exact accordance with (i.e. to the day) the developer's tendered programme – then overage will be shared on a 50:50 basis. If the developer does not complete the scheme in accordance with the timetable set out in their programme – then they will entirely forgo overage.

This schemes minimum build out pace is 4 a month (3 OMS/1 Affordable). The mechanism for calculating overage is set out in the Agreement for Lease and Building Lease.

SME Development

The appointed developer will be responsible for contracting with an SME developer and for ensuring that the SME development accords with the overall proposed approach to the development including MMC,

pace of delivery and Building for Healthy Life. This SME developer should be identified in the bidders submission.

3.4 Submission requirements

- Design / Development proposal document (including Building for Healthy Life proposals)
- Confirmation of how quality standards will be met
- Confirmation of the team the DPP3 Member is proposing
- Branding / marketing proposal
- Info of apprenticeships and local labour
- Site management proposal
- Financial bid (see 3.5 below)
- Project contract marked up with any minor amendments
- Details of SME/contracting arrangements
- Programme
- MMC proposals and experience

3.5 Financial offer

A financial bid will be required in consideration for the site. The follow payment terms are proposed:

Payment 1:- Minimum 5% returnable deposit on entering the conditional agreement

Payment 2:- A further minimum 10% upon completion of the building lease

Payment 3:- 85% payable by the developer by the earlier of 1) the mid-point (in time) of the construction programme, or 2) the mid-point (by volume) of the sales programme.

The appointed developer will pay Homes England appointed Solicitor's legal and surveying costs associated with plot disposals up to a capped amount and will include Homes England abortive costs if agreements are not signed. (Homes England Appointed Solicitor will bill the appointed developer direct).

For the avoidance of doubt, the developer will bear all costs relating to the delivery of the development including (but not limited to):

- Infrastructure works including roads, drains, services etc;
- Creation and maintenance of common areas, landscaping, drainage features etc
- All costs associated with obtaining reserved matters approval;
- All S106, S278, CIL and other associated contributions
- Any costs associated with contracting with an SME

The financial offer should include details of all costs associated with the development including;

- Costs of infrastructure
- Development/build costs
- Developers profit
- S106/S278/CIL costs
- Marketing and legal costs (for both acquisition and sales)

A schedule of plot sizes and sales values should be included.

A schedule of all abnormal and other anticipated costs should be provided.

Details of the proposed overage should be included.

(See Appendix 3 for the Financial Offer/Pricing template)

3.6 Evaluation Framework

Pass/Fail

The following are mandatory requirements which must be satisfied before tenders are evaluated against the Non-Price/Price criteria below:

- Minimum pace threshold of 4 homes per month;
- Minimum MMC threshold of 100%, minimum score of 5;
- Building for Healthy Life - achieve a minimum score off 9/12 green lights;
- Acceptance of Minimum Standing Stock threshold of 8 homes;
- Completion of all tender forms;
- The written submission must contain all of the information requested;
- The proposed scheme must have a reasonable likelihood of securing Reserved Matters consent and must provide a minimum of 25% affordable dwellings in accordance with the expected outline consent and s106 requirements;
- The preferred developer will be required to pass Homes England's Financial Due Diligence and KYC requirements;
- Confirmation of serviced sub-parcels and individual land values;
- Named delivery partners (SME's/third parties) for serviced sub-parcels.

Non Price

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:

Non-Price Criteria	Weighting
<p><u>Design</u></p> <p>Is the proposed scheme likely to achieve planning permission or other consents or licences to meet acceptable conditions within the required timescale?</p> <p>Is the scheme compliant with planning policy and other mandatory requirements set out by Homes England in sections 2.1, 2.4 and 3.1 of this ITT? Have plans been provided showing a comprehensive scheme which includes details of layouts, dwelling types, POS, access and parking?</p> <p>Does the proposed development meet the Building for Healthy Life Design Principles, scoring at least 9/12 Green Lights?</p> <p>Does the SME development accord with the overall principles and design of the main development.</p>	10%
<p><u>Technical</u></p> <p>Have all risks and constraints that could affect the eventual receipts, timings, costs and outputs of the project been assessed / identified? Has sufficient detail been provided as to the implications of the risk to the proposed development?</p> <p>Have mitigation measures been proposed and are they appropriate for the proposed development? Has the bidder investigated, assessed and priced risk in an efficient and appropriate manner that clearly identifies a risk transfer from Homes England to the bidder? Has the bidder assumed all the risks required by the documents at a price that represents value for money?</p> <p>Is the bid fully priced? Where provisional sums are included are they reasonable, appropriate in scale and acceptable?</p> <p>What is the bidders approach to changes to Part L of the Building Regulations, and how have they addressed the move towards net Carbon Zero and delivery of homes to Future Homes Standards and the net carbon zero agenda.</p>	10%
<p><u>Modern Methods of Construction</u></p> <p>Has the bidder completed Appendix 1 in full – and provided justification for how they have allocated property types to the various MMC categories?</p>	10%

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Non-Price Criteria	Weighting
Has the bidder confirmed what experience they have of delivering similar size sites using the same MMC methods and the benefits and issues that arise from the use of MMC methods?	

Price

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

Price Criteria	Weighting
<p><u>Cost Robustness</u></p> <p>Has the bidder made sufficient cost allowances to develop the project in line with the specification of scheme they have tendered? Is there sufficient budget in place for sales and marketing?</p> <p>Linked to the responses given to the 'Technical' theme in the non-price section of the evaluation, have all ground and other risks been identified and have appropriate costs for groundworks, utilities and infrastructure, etc. been allowed for within the tender?</p> <p>Are the costs tendered, fixed or provisional? If provisional, has justification been given to why these are provisional and has the bidder set out what action they will take to confirm the costs? In respect of provisional sums, has the bidder applied any upper threshold caps to these to give an element of cost certainty?</p> <p>Are the developer's values per sq.ft across the various tenures realistic and achievable in the context of the pace of sales set out in their programme?</p> <p>Are the bid values supported by market evidence? Has the developer considered the market audience that their scheme is to be targeted at - and is their proposed product affordable / accessible to this demographic? Are the incentives to be offered by the developer likely to generate value for money and be successful in accelerating sales / expanding buyer access to the scheme? Is the developer's sales & marketing strategy likely to be successful in generating the sales income they have projected and achieve sales in accordance with the programme they have tendered?</p> <p>Is the product range proposed across the scheme in keeping with the local area and sufficiently diverse to maintain buyer interest (and values) across the duration of the sales programme?</p>	10%

Price Criteria	Weighting
Financial Offer The prices tendered by bidders will be subjected to an NPV calculation (using a discount factor of 3.7% per annum) to determine the present day value of all financial offers received. Once the NPV'd present day value of each financial offer has been determined, each bidder's financial offer will be assessed against the highest financial offer received. The resulting weighted figure will then be multiplied by 60 (the total marks available under this evaluation theme) to derive a final score out of 60	60%

3.7 Tender Information

This tender brief has been jointly prepared by the Council, Homes England and Lambert Smith Hampton. All enquiries should be directed to Lambert Smith Hampton and submitted through ProContract. Further contact details, if required, are outlined on page 2 of this document.

Bidders should have regard to the programme in formulating their programme required as part of the submission. Any variances proposed should be explained within the submission.

Submissions in response to this brief should be via **ProContract only** and must be received by

8th December 2021 at 1pm

If you have any questions in relation to the brief, please contact Stephen Hemming via ProContract. These questions and any response will be shared with other short-listed parties, unless specifically advised that the question relates to a commercially confidential issue. Homes England reserves the right to request short listed developers to provide additional information or clarification where their responses are judged to be incomplete or clarification deemed necessary. Please note that the bids will be invalidated and the documentation returned after completion of the tender if the templates are not adhered to or the submission is received after the due date and time.

We can offer Q and A via the Pro-Contract portal but all questions and responses will be available to all bidders where they are not commercially sensitive.

Viewing/site visits

The site can be seen from the adjoining public highway, but accompanied site visits can be arranged if required with dates to be confirmed.

3.8 Financial Appraisal

Development Appraisal

Bidders are to provide a detailed cashflow appraisal with the financial offer itemising the revenues, costs and returns assumed on the respective tenures and elements within the bid via the Homes England's Development Appraisal Tool (DAT)

<https://www.gov.uk/government/collections/development-appraisal-tool>

Homes England will require a completed Development Appraisal Tool (DAT) to be submitted by each bidder. This will ease comparison by providing a standard format, at a suitable level of detail.

This DAT model will provide the Present Residual Value of the Land, which should equate to the financial offer from the bidder. However, the detail within the DAT will also enable the financial assumptions behind the bid to be understood in more detail (e.g. build cost and phasing assumptions). Any problem with using or interpreting DAT models can be raised via the dedicated mail box DATenquiries@hca.gsi.gov.uk

The financial offer must be supported by a development appraisal submitted in the form of a completed DAT spreadsheet using the template supplied via the link above. The DAT model is to be completed using the setting "RLV mode no deferred payment option" on the Input 1 – site tab.

The 'Final Result' of the DAT model will be the Present Residual Value of the Land (which should equate to the financial offer from the bidder at a) above. The detail within the DAT will enable Homes England to understand the financial assumptions behind the bid in more detail (e.g. gross development value, build costs and phasing assumptions).

A schedule of projected base values for each unit will be required and must be submitted with the bid demonstrating realistically achievable values prevailing at the time of the bid. The schedule must be in a form to enable proposed selling prices to be calculated at a rate per square foot.

As identified within the remediation section, bidders should provide detailed appraisals that clearly identify costs particularly associated with foundations and enhanced gas membrane provisions to ensure that this item is clearly identifiable and easily removed from the appraisal if required to do so.

Bidders should clearly articulate their financial proposals identifying:

1. Purchase Price
2. Payment Structure
3. Timing of Payments
4. Proof of funding

3.9 Insurances

Bidders are requested to confirm that the following insurances are held, and are up-to-date, at the time of the agreement (or prove that it can be obtained);

- Employers Liability £10m.

- Public Liability £10m.
- Contractors All Risks £10m.

3.10 Disclaimer and important information

Misrepresentation

This Tender Brief has been produced in good faith, and is set out as a general guide only, and does not constitute any part of an offer or contract. The content is believed to be correct but bidders should not rely on it as statements or representations of fact but must satisfy themselves as to the correctness of each of them. No person or persons engaged by or in the employment of Homes England has any authority to make or give any representation or warranty in relation to this property.

Freedom of Information

Bidders are advised that Homes England is subject to the Freedom of Information Act 2000 ("The Act"). If a bidder considers that any of the information supplied as part of this procurement procedure should not be disclosed because of its commercial sensitivity, confidential or otherwise, they must, when providing this information, clearly identify the specific information they do not wish to be disclosed and clearly specify the reasons for its sensitivity. Homes England shall take such statements into consideration in the event that it receives a request pursuant to the Act which relates to the information provided by the interested party. Please note it is insufficient to include a statement of confidentiality encompassing all the information provided in the response.

4. Appendices

All appendices and other documents are/will be available on ProContract

All Proforma to be completed and returned with tender

4.1 Appendix 1 – site ownership plan

4.2 Appendix 2 - MMC Proforma

4.3 Appendix 3 – Pricing Proforma

4.4 Appendix 4 – Evaluation Schedule

enquiries@homesengland.gov.uk

0300 1234 500

gov.uk/homes-england