



Homes
England

Making homes happen

Stage 3 – Invitation to Tender Coypool Park, Plymouth

Delivery Partner Panel 3 (DPP3) – South and South West Lot
ProContract Reference DN537138

Submission Deadline: 1st October 2021

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Development of Homes England Land: Coypool Park, Plymouth



Section 1: Introduction

This 'Invitation to Tender' (ITT) represents the final stage of a three-stage procurement process being arranged by Homes England.

Homes England is seeking to procure a single preferred Development Partner concerning the development of its 30-hectare site located at Coypool Road, Plympton, Plymouth, PL7 4NW (referred to throughout this ITT as Coypool Park).

You have received this ITT because you are one of 3 parties from Homes England's Delivery Partner Panel 3 (DPP3) S&SW Lot that have been shortlisted to participate in the final tender stage of this procurement process.

The ITT is being managed by Homes England with the advice and support of Savills, 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.

Section 2: The Site

A brochure for the site was made available to DPP3 members as part of the initial 'Expression of Interest' stage – which provided key details pertaining to the site. Further information was provided as part of the 'Sifting Brief' stage.

General Overview

Key points of note concerning the site / project are detailed below:

- The site comprises 30-hectares of remediated brownfield land and woodland
- A former China Clay Dryer Works that ceased operations in 2008
- Outline planning permission for up to 550 homes (19/01288/OUT) granted subject to s106 Agreement on 23/06/21, comprising:
 - up to 490 residential dwellings (Use Class C3)
 - provision of an Older Persons Scheme (Use Class C2) with up to 60 units
 - a Community Hub of up to 700sqm providing flexible community space and nursery (Use Class D1), a café (Use Classes A3) and office space (Use Class B1)
 - up to 400 sqm of retail (Use Class A1)
 - provision of up to 15.9ha of open space and integrated green infrastructure
 - Sustainable Drainage Systems
 - vehicular, pedestrian and cyclist access and associated infrastructure
- The OPA documents and associated correspondence are available at:
<https://planning.plymouth.gov.uk/online-applications/applicationDetails.do?activeTab=summary&keyVal=PVYW9oMMoo600>
- An existing vehicular access from Coypool Road to the south of the site, with additional cycle/pedestrian accesses to the east and south
- Opportunity for a wide range of housing types and tenures

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- Set within an attractive semi-rural location adjoining Boringdon Golf Club with excellent walking and cycle links to the surrounding countryside, via Drake's Trail to Tavistock and Dartmoor. Views towards Saltram House (National Trust) to the south
- 4 miles north of the City Centre with regular bus service from the adjoining Park & Ride site. Located 500m north of A38 - providing convenient access to excellent east/west transport routes
- Marsh Mills Retail Park and Sainsbury's Supermarket are within 1 mile. Further services and facilities can be found in nearby Plympton St Mary
- 10-minute walk to Woodford Primary School – rated 'Good' in all areas at their last OFSTED inspection and 20 minutes to Heles Secondary School, also rated 'Good'
- Opportunity to link directly into the proposed Boringdon Sports Hub to the immediate north, creating all-weather pitches and associated facilities within walking distance
- One of the only large strategic housing sites available and ready to deliver within the Plymouth area
- Able to be over 10% 'in credit' for Biodiversity Net Gain and achieve 12 green ratings for Building for a Healthy Life criteria (a design toolkit for neighbourhoods, streets, homes and public spaces)
- Opportunity to support smaller builders and new entrants through the delivery of serviced sub-parcels
- An indicative masterplan layout for the scheme is provided as part of the Technical pack
- Drone footage of the Coypool Park site can be accessed via the following link:
<https://vimeo.com/545475387>

Constraints and Technical Information

Please refer to the Technical Pack at **Annex 1** – Technical Summary Report and associated Appendices – for details of the site context, key engineering issues and constraints.

Please refer to the Legal Pack at **Annex 2** – Report of Title and associated Appendices – for details of the report on title, searches, insurances and enquiries.

To assist bidders in assessing the site, a suite of relevant technical information has been provided in support of this ITT, comprising:

- Ground conditions
- Topographical surveys
- Ecology reports
- Arboricultural surveys
- Heritage reports
- Flood risk assessment
- Drainage strategy
- Utilities assessment
- Transport and highways reports
- Acoustics / Noise assessment
- Air Quality assessment
- Design and Planning reports / assessments
- The planning committee report (decision notice & S106 agreement to follow)
- Report on title

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- Draft contract documents

For full details of the Outline Planning Application and associated documentation, please go to: <https://planning.plymouth.gov.uk/online-applications/applicationDetails.do?activeTab=summary&keyVal=PVYWgoMMoo600>

Section 3: Homes England Objectives

Homes England's objectives from this disposal exercise are as follows:

- To receive offers for the site which are conditioned on reserved matters approval only
- For this to be a single phase disposal to a main developer, with obligations to deliver serviced sub-parcels, for delivery by SMEs / third-parties; and for the selected development partner to procure and manage these SMEs / third-parties via a sub-lease arrangement
- To exchange contracts on an Agreement to Lease with its selected development partner by 28th February 2022 and for its selected development partner to secure a reserved matters consent for its tendered scheme and start on site with the development by 24th February 2023
- To secure scheme proposals that balance high standards of design with the best land value offer achievable
- For its selected development partner to build out its consented scheme in the shortest timeframe possible (and which, in any event, cannot exceed 97 months from commencement of the house build on the first plot to practical completion of the final plot)
- For its selected development partner to build out the scheme using a variety of Modern Methods of Construction (MMC) techniques (and which, in any event, cannot fall below the minimum MMC threshold of 2.0, 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 its selected development partner to deliver a minimum of two / maximum of three serviced sub-parcels for SME and third-party delivery under a sub-lease arrangement, comprising a total of 100 homes (open market residential and/or the Older Persons scheme). Delivery of the Community Hub and / or Retail Space, if included as part of a sub-parcel, would be in addition to the 100 homes
- To maximise flexibility, bidders will determine appropriate sub-parcel locations, sizes, development density and unit types, in accordance with the Parameters Plans and Design Code

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- The number of SMEs and third-parties to be procured by the bidder will reflect the number of serviced sub-parcels to be delivered, but will comprise a minimum of one SME and one third-party; and does not include the delivery of affordable housing by a Registered Provider.
- For the purposes of this tender, a third-party can be a Registered Provider; Custom Builder; Older Persons Housing Developer; Retirement Developer; or other party by express prior approval of Homes England
- For its selected development partner to seek affordable housing grant funding to increase the on-site affordable housing provision to 30% of dwellings

Section 4: Design Guidance

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

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.

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 any parameter plans and account for 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

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

The use of standardised house designs and elevations 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.

Access

Proposals should show vehicular accesses into the site in accordance with the outline planning consent, with any proposed pedestrian / cycle connections being clearly marked as part of your layout proposals.

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 context. 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.

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

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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.

Water

Proposals should seek to manage surface water and drainage in a sustainable and ecologically beneficial way, where possible through Sustainable Drainage Systems (SuDS). These can be delivered in a variety of ways (subject to local planning authority approvals), with suitable proposals being 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 an approach to engagement – comprising, amongst other things, the consultant team and programme setting out the key milestones to application submission.

Design quality must be maintained from tender 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 preferred bidder to Homes England for approval, then Homes England reserves the right to require the Reserved Matters application pack be **referred for Design Review** at the cost of the preferred bidder (Capped at £3k). This is to ensure that, where possible, the quality of design does not fall below the standards proposed at tender stage.

Section 5: Contracting Structure

The contractual arrangements around this site disposal are generally standard in so far as they will involve the selected development partner entering into:

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- An agreement for lease
- A building lease
- 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 developer has discharged its obligations under the agreement for lease, the building lease will be completed. The developer will be obligated to start on site within a fixed period of 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 97 months).

The developer will also be contractually obliged to develop the scheme in accordance with the MMC techniques / specifications set out in its tender response to this ITT.

Payments of the agreed price premium must be made in accordance with the timings set out within the developer's tender.

Under Homes England's new 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.

Developers 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). Developers completing after the 10% time-window may be subject to forfeiture.

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

Section 6: Developer 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.

Developer Duties

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- Secure Reserved Matters approval for their scheme, including the identified sub-parcels, the basis of which must be consistent with the scheme tendered to Homes England as part of this ITT
- Comply with and otherwise discharge all appropriate planning conditions associated with the scheme
- Discharge payment of the scheme's S106 costs. The draft S106 Agreement comprises:
 - £4,750,000 s106 contributions (equating to £8,636 against all 550 homes)
 - £1,441,281 commuted sum for the transfer of the openspace, playspaces and woodland to the council (unless an alternative management proposal is agreed)
 - Community Infrastructure Levy (the 2021 CIL charge is £44.59/m² of open market floorspace)
- Enter into a S.278 agreement with the local authority relating to the need for improvement works to the access and public highway serving the development site
- Satisfy Homes England's requirements in respect of:
 - The minimum build out pace
 - The minimum MMC specification score
 - The delivery of the minimum number of serviced sub-parcels
 - The procurement and management of SMEs and third-parties, to deliver the serviced sub-parcels under a sub-lease arrangement
 - Seek grant-funding to deliver an additional 10% on-site affordable housing provision
- In seeking to increase the affordable provision to 30% through an additional 10% of grant-funded dwellings, the responsibility remains with the developer for ensuring that they have undertaken appropriate due diligence regarding the terms of the s106 Agreement and that they are responsible for compliance with the Capital Funding Guide
- Pay 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
- 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 an RP partner to take on responsibility for these tenures

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- 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
- Deliver the agreed serviced sub-parcels, in accordance with the Land Servicing Specification and tendered delivery programme / milestones
- Procure and manage SMEs / third-parties, via a sub-lease arrangement, for the onward build-out and delivery of the serviced sub-parcels
- Secure all appropriate accreditations (NHBC, etc...) for completed dwellings such as to ensure they are insurable / mortgageable
- 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 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

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 – the NPPF, etc...)
- Demonstrate compliance with Building for a Healthy Life design toolkit principles through a self-assessment where the developer must score a minimum of 8 'greens' across questions 5 through to 12
- The time frame tendered in relation to the period between the commencement of house building and the completion of house building must not exceed **97 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

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- Bidders must achieve a minimum score of 2.0 under the MMC evaluation theme. Please refer to the evaluation section of this ITT for further details in this regard
- Bidders are required to identify on a plan, a minimum of two / maximum of three sub-parcels, for delivery by a minimum of one SME and one third-party
- The Bidder's proposed team (Registered Providers, SMEs, Third-parties) are to be named as part of their bid submission
- As part of their submission, bidders are required to fully address how they will successfully collaborate and partner with SMEs / third-parties to diversify the site and manage delivery, quality, timing and risk
- Affordable housing must be tendered on the basis of:
 - S106 nil-grant affordable – a minimum of 20% affordable dwellings, as detailed within the s106 Agreement. The 20% s106 affordable housing applies to all 550 residential units that are proposed on the site, which includes the 60-unit block of older person's flats, and therefore, equates to 110 affordable homes
 - The S106 affordable dwelling mix shall comprise 65% Social Rented and 35% Affordable Shared Ownership options
 - Grant-funded affordable – a minimum of 10% additional affordable dwellings
 - Bidders must show their affordable housing provision pepper-potted, or in small clusters, across the scheme
- In regard to financial offers:
 - A minimum of 5% of the tendered premium must be made payable on exchange of contracts on the Agreement for Lease as a deposit
 - A minimum of 10% of the premium must be made payable on completion of the Building Lease
 - The full balance of the premium must be made payable by the earlier of either a) the developer's midpoint of their construction programme or b) the midpoint of their sales programme

PLEASE NOTE: 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 – and the successful bidder will then become contractually obliged to make their tendered stage payments to Homes England according to these fixed dates

EXAMPLE: If the midpoint of sales, according to your tendered programme, will occur at July 2024 – then your 85% balancing payment would become due at this date (irrespective of whether the event actually occurs on this date).

- Bidders are required to confirm the land values and expected sale revenues for each sub-parcel

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- The performance of the developer will be monitored through the duration of the build programme by a Compliance Inspector. The month to month cost of the Compliance Inspector must be met by the developer – however the cost of this appointment is eligible to form part of the developer’s costs that can be netted from its land value offer.

Homes England will tender for the Compliance Inspector during the Agreement for Lease window – and therefore the cost of this appointment is unknown at the present time. Bidders are therefore instructed to multiply the number of months in their build programme (i.e. start on site through to practical completion) by £1,000 to generate a Compliance Inspector budget for the duration of the project. This cost must be clearly accounted for in Tender Form 2.

NB. Recognising that the budgeted Compliance Inspector cost included in the developer’s tender will inevitably be different from the actual Compliance Inspector cost, the Agreement for Lease includes a mechanism for reconciling this whereby if the actual Compliance Inspector cost is higher than that allowed for by the developer – then this would come off Homes England’s land value and if conversely if the actual Compliance Inspector cost was lower than the budget allowed for by the developer, then the developer would be required to add this to Homes England’s land value

- 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 alongside this 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 7
- Provide all supporting plans, dwelling layouts, appraisal print outs and CGI images / drawings / photos required in support of your written submission

Section 7: Tender Submission Guide

Tender Forms

This ITT is provided alongside 8 Tender Forms which are to be completed / populated by bidders as part of their responses to this tender opportunity.

These are:

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 Housing Programme Grant Assumptions

Written Submission

Whilst the Tender Form responses will form a key part of the information that is assessed by Homes England to determine a preferred bidder – 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 – and should be divided into 7 parts as follows:

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 1:1000 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. In addition, this plan will identify the serviced sub-parcel locations and provide details of the sub-parcel size and number of dwellings or area of commercial / retail development (sqm)

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 1:1000 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 1:1000 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 you are proposing (if applicable), details of any bio-diversity 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 1:1000 scale.
- **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 1:1000 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 1:1000 scale

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- **SCHEMATIC 1:** CGIs, photos or drawings of a maximum of 6 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.
- **SCHEMATIC 2:** A single CGI or drawing of one of your primary streetscapes within the scheme which can be used by Homes England to better understand the proposed character of your scheme (and which could also be used for promotional purposes when announcing the preferred bidder)

Submission to be limited to plans / drawings, as referred to above, only

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:
 - Column 1: The BHL 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 BHL 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.

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

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- Identify serviced sub-parcels that are well considered, deliverable and attractive to the market and provide commentary in support of the locations identified; the quality, feasibility and creativity of their proposals, in terms of deliverability and additionality to the overall scheme; their timings and proposals for partnering with SMEs / third-parties to diversify the site. Whilst the sub-parcel locations will be identified within the bid submission along with named SMEs / third-parties, it is expected that the Reserved Matters for the sub-parcels will be progressed on a phased basis, as the appointed developer agrees contracts with their SME / third-party delivery partners. It will be important to ensure the quality of the proposals for the individual sub-parcels. Specifically, responses should seek to:
 - Provide evidence of the quality, feasibility and creativity of their proposals
 - Consider marketability and how deliverability will be managed
 - How the sub-parcels bring additionality to the overall scheme
 - Identify how the delivery of sub-parcels will be accommodated through the Reserved Matters planning process, including any phasing arrangements
 - Address your timings and proposals for partnering with SMEs / third-parties to diversify the site, to include details of your approach to their procurement, legal contracting and management through to build / sales completion
 - Confirm how you will work collaboratively with Homes England and your proposed delivery partners to successfully adopt this disposal approach
 - Outline your arrangements for payment by the SME / third-party – payment terms / milestones
- 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

The responses to this question will be cross referenced against your responses to questions 8 & 9 within the Design Assessment (Tender Form 5) and should clearly set out the long-term management arrangements for the proposed scheme.

Responses should be limited to no more than 3 A4 pages / 1,500 words

PART 4: Values & Marketing Strategy

Bidders responses to this section should correspond to the information you have provided in your 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 your proposed house type range to maintain buyer interest over the course of the project

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- 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 your tendered pace of sales
- Confirmation and evidence that their homes will be mortgageable and insurable (irrespective of MMC technology used), including details of the accreditations that your product types will secure

Responses should be limited to no more than 3 A4 pages / 1,500 words

PART 5: Project Risks & Programme

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 (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 be provided in the form of a table (risk register) and gantt chart (programme)

PART 6: Funding

Bidder should provide:

- A print out of their organisation's own internal development appraisal and cash flow for the scheme (at Homes England's discretion, we may ask you to provide these documents in an editable format)
- 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

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- 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 scheme are to be funded / part funded through forward sale arrangements (e.g. affordable housing, PRS, etc...), 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. no agreement yet in place, heads of terms agreed, conditional agreement in place, etc...)
 - That your forward funder is satisfied with the Golden Brick security arrangements referred to in the legal pack provided by Homes England

Responses should be limited to no more than 1 A4 pages / 500 words – with the developer's appraisal and cash flow provided as a separate appendix to their submission

PART 7: Resource & 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
- In respect of those members of your 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 your withdrawal from the project

Responses should be limited to no more than 2 A4 pages / 1,000 words

Future Homes Standard - Changes to Part L and Part F of the Building Regulations for new dwellings

As part of this tender process, 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.

However, it should be noted that Government is currently consulting on proposed changes to the Building Regulations, which would involve changes to Parts L & F.

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Government is consulting on 2 particular options under Part L – the first aimed at increasing a home's carbon emission savings by 20% and the second aimed at increasing a home's carbon emission savings by 31%. These options form part of the move towards the Future Homes Standard, which will require new build homes to be future-proofed with low carbon heating and world-leading levels of energy efficiency. Details of the consultation are available [here](#).

Achieving compliance with one or other of the options currently being consulted upon will have build cost implications for homes caught by the new regulations – which in turn will have implications on the land values that developers tender to landowners.

In order to avoid future disputes with its selected preferred development partner, Homes England requires that all bidders for this site provide details of the costs (and associated land value implications) arising from the following scenarios:

1. 100% of new build plots across the development must be developed to the 20% carbon emission saving standard
2. 100% of new build plots across the development must be developed to the 31% carbon emission saving standard

The provided Tender form 1 includes fields for bidders to include this information. You will be required to present the anticipated cost of complying with either scenario and also the impact either scenario would have on the land value of your proposed offer.

This information will form the basis of discussions between Homes England and its preferred selected bidder for the site in the event both parties agree that this scheme would be affected by one or other of the options currently under consultation.

Alongside the assessment of your land value offer, Homes England will also consider the land value adjustments you have proposed that would arise from the introduction of one or other of the options set out above. In this regard, the Agency is seeking for bidders to tender cost adjustments that minimise the impact on land value – and will 'fail' those bidders whose costs they believe are high and cannot be substantiated / justified at the tender clarification stage.

Tenure Diversification and the use of Grant Funding

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 Affordable Housing Grant. If you are intending to submit a tender that proposes tender diversification and the inclusion of Affordable Housing Grant funding please consider the following.

- The panel 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.
- Use of AHP grant funding is only available on the delivery of affordable housing over and above the provision set out in the S.106 agreement and is subject to the status of the overarching grant

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programme at the time of tender submission. All homes need to be fully compliant with the capital funding guide.

- Where a tender includes the use of AHP 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 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 AHP funded home and development will otherwise need to be entirely compliant with the AHP Capital Funding Guide 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. Bidders should note that actual allocation of grant will be subject to its own formal bid submission, assessment and contractual agreement in line with the Affordable Homes Programme that is current at the time of affordable housing delivery.

Section 8 – Evaluation of Bids

Homes England intends to use responses provided to this ITT to appoint a single preferred bidder for the site.

The Written Submission and completed Tender Forms 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 1) passes each of the pass / fail requirements and 2) who scores the highest unique mark out of 100 will be appointed as Homes England's preferred development partner.

Pass / Fail

Tender proposals put forward by bidders must incorporate all mandatory requirements, as set out in Section 6 of this ITT. Tender submissions must also include all information required by Homes England, as set out in Section 7.

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,

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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.

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

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 discounted from the bidding process.

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:

10% - Design

10% - MMC

10% - Developer's understanding of the technical risks and project constraints

Price

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

A detailed evaluation guide is provided in the ITT appendices, setting out how the information Homes England has requested in Section 7 will be evaluated and scores awarded.

This includes details of what information must be provided to achieve a 'pass' against the pass / fail criteria and example calculations to show how score formulas are intended to operate.

Section 9 – Programme & Bidding Deadline

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

| Milestone | Date |
|---|---|
| Soft launch of ITT on ProContract | 9 th July 2021 |
| Formal launch of ITT – publication of Technical and Legal Packs and associated Appendices | 12 th – 16 th July 2021 |

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| | |
|--|---------------------------------------|
| Webinar – ITT Briefing Session | 23 rd July 2021 |
| Site Visits | 4 th August 2021 |
| Mid-Tender Meetings (if required by bidders) | Late August 2021 (date tbc) |
| Close date for bids | 1pm, 1 st October 2021 |
| Post-Tender Clarification Meetings (if required by HE) | w/c 11 th October 2021 |
| Confirmation of Preferred Bidder | w/c 22 nd November 2021 |
| Completion of Agreement to Lease with Preferred Bidder | 28 th February 2022 |

Bidders must submit their tenders via the DPP3 e-tendering system. Accordingly, bidders should be aware that tenders need to be submitted in an electronic format only – and that the submission of hard copies is not permitted.

Bidders are required to upload their tenders through the e-tendering system by a time / date not later than **1pm, 1st October 2021**.

Section 10 – Mid Tender Meetings & Contact Details

Mid Tender Meetings

Homes England intends to give bidders the opportunity to have a mid-tender meeting. In this regard, Homes England proposes to allow time during the tender period (late August – date tbc) to meet each bidder individually to discuss any queries they might have.

Time slots with each developer will be agreed in due course. Attendance at the mid tender meeting is not mandatory – and the offer of a mid-tender meeting session only needs to be accepted by bidders if they feel a meeting with the Agency would be beneficial in clarifying uncertain aspects of the tender.

Aside from mid-tender meetings, bidders are welcome to raise queries / seek clarifications through the e-tendering system at any time during the ITT tender window. In this regard, Homes England will aim to respond to any queries raised within 3 working days of the question being posted.

Unless the question or Homes England's given response is commercially sensitive in respect of a bidder, all questions and answers provided through the mid tender meeting process or e-tendering system will be shared on an equal basis with all bidders.

Contact Details

The lead contacts in relation to this ITT are as follows:

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|---|---|
| <p>Lisa Broom Homes England 2 Rivergate, Temple Quay, Bristol BS1 6EH</p> <p>Tel: +44 (0) 117 937 7215 Mob: +44 (0) 7833 049 054 Email: lisa.broom@homesengland.gov.uk</p> | <p>Nick Walker Savills Sterling Court, 17 Dix's Field, Exeter EX1 1QA</p> <p>Tel: +44 (0) 1392 455 781 Mob: +44 (0) 7807 999 523 Email: ndwalker@savills.com</p> |
|---|---|

All enquiries concerning this ITT should, in the first instance, be directed through the e-tendering system.

Should Bidders wish to engage with Plymouth City Council planners to discuss their scheme, they should progress a pre-application advice request (which is chargeable) via the procedures set out in the below link:

<https://www.plymouth.gov.uk/planningandbuildingcontrol/planningapplications/whenyouneedplanningpermission/planningpreapplicationadvice>

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enquiries@homesengland.gov.uk

0300 1234 500

gov.uk/homes-england

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