



Homes  
England

# LEVELLING UP HOME BUILDING FUND

Homes England  
Transactions

DEVELOPMENT MONITORING  
SERVICES

30 January 2024

*Invitation to Participate in a Mini Competition*

**Framework Agreement:** Development Monitoring and Management Services

**Project Name:** Pond Walk, Stalbridge

**Date:** 30 January 2024

**To:** Monitoring Surveyor

**From:** John Buss, Senior Manager

**Homes England**

**2 Rivergate, Temple Quay,**

**Bristol, BS1 6EH**

**1. Objectives**

Homes England is seeking to appoint a Monitoring Surveying (MS) Firm from its national Development Monitoring and Management Services panel. The appointed Surveyor's role will include providing initial due diligence and ongoing monitoring of the development works in respect of the loan investment under the Levelling Up Home Building Fund ("LUHBF") programme. All work will be instructed under the standard terms of the Homes England Framework agreement.

**2. Background**

The Levelling Up Home Building Fund is a £2.5bn Homes England investment programme created to accelerate and unlock housing developments of at least 5 units in size that have slowed down or stalled. Its main objective is to address difficulties in accessing development finance faced by some housebuilders, particularly in the SME sector, and to help bring forward stalled but viable sites. The fund is 100% recoverable with loan investments made on commercial terms to developers.

Further details of the LUHBF programme can be found at, <http://www.gov.uk/homebuildingfund>

The Homes England Transactions and Portfolio Management teams require the services of an independent Monitoring Surveying firm to provide project cost and monitoring services to support the successful delivery of the project. The scope of reporting requirements includes:

- 1) An initial report for each scheme pre-commencement of development;
- 2) Thereafter monthly monitoring reports until satisfactory scheme completion, or loan repayment (whichever is sooner).

The initial report will be instructed by the allocated Homes England Transaction Manager or Executioner, with the results of this report used to confirm that project proposals are acceptable as a condition precedent to funding. Once the facility agreement is executed and construction commences, MS services will be retained to provide monthly monitoring reports in line with the attached 'Scope of Services'. Relations between the MS Firm and Homes England post the initial report will be managed by Homes England Portfolio Management who are responsible for housing output delivery and receipt recovery.

### 3. Details of Individual Transactions

Below is a table of the identified investment transaction which will form this commission..

| <b>Scheme 1</b>                                  | <b>Value/ Details</b>   |
|--|---|
| Site Location:                                   | Land At E373160 N117864, Pond Walk, Stalbridge, Dorset,                           |
| No. of Homes:                                    | 9 open market homes   |
| Development Type:                                | Residential Development   |
| Total GDV:                                       | £4,915m   |
| Total Scheme Costs:                              | £4,018m including land  |
| Homes England Debt Funding (Including leverage): | £3.082m excluding interest and fees and Recycled Funding                          |
| Construction Period:                             | 14 months   |
| Borrower:  | Baddow Estates Ltd  |
| Building Contractor:                             | TBC   |
| Monitoring Requirements:                         | Initial Report + Monthly Progress Reports x 14 (or until Homes England repayment) |

### 4. Scope of Services

Please see attached to this tender the 'Scope of Services' for the MS Tender, which includes details of the Initial Report and on-going Monitoring requirements. The Scope also includes the necessary reporting information required under the headings 1 – 10.

### 5. Project Management and structure of commission

#### Key deliverables

The main objective of the commission is for the Monitoring Surveyor to provide regular reports on progress of the scheme to ensure delivery of the site and repayment of the Homes England loan. The Surveyor will work with both the Borrower and Homes England and will need to attend site progress meetings for each scheme and quarterly meetings with Homes England (or as otherwise deemed appropriate). Individual Transaction Managers will be identified on successful appointment that will be the initial point of contact against each Investment Transaction. Post completion of the initial report the key Homes England relationship will be handed over to an identified Homes England Portfolio Manager.

#### Conflicts of Interest

Prior to instruction the successful MS Firm will be asked to confirm whether there are any potential conflicts of interest. Failure to comply with such requests could lead to an immediate withdrawal of your appointment.

### 6. Tender Submission and Assessment Criteria:

Tender submissions should include the following information:

1. Confirmation that the Scope of Services is understood and accepted;
2. Understanding of the transaction proposed and any bespoke requirements;
3. Details of the firms experience which is most relevant to this commission (ideally evidencing Grade II-Listed conversions as well as new-build residential);
4. CVs for the key personnel who will deliver this commission;
5. Conflicts of interest acknowledgements;
6. Fixed fee proposals for completing,
  - A) each Initial Report
  - B) each Monthly Report

Please provide a fixed fee price schedule against the individual project value of works;

**Initial Reports: £**

**Monthly Monitoring: £**

The Homes England reserves the right not to award this contract to any tenderer and not to award to the lowest priced tenderer. All eligible bids will be assessed using a 60:40 Price:Quality evaluation assessment.

#### **7. Submission Requirements**

Tenderers must return their proposals by submitting via the ProContract / E-Tendering portal in electronic format by no later than **8pm on 16 February 2024**.

Following completion of the Further Competition requirements Homes England will provide feedback if requested to both the successful and unsuccessful tenderer. It should be made clear that this feedback will not change the award decision.

#### **8. Date of response required: 16 February 2024**

#### **9. Queries**

General or technical queries regarding this invitation should be directed to Homes England by telephone or email. If you would like to discuss the invitation further, please contact any of the following:

Name: John Buss, Senior Manager

Email/ Phone: [john.buss@homesengland.gov.uk](mailto:john.buss@homesengland.gov.uk) / 0117 9377254