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| **HCA Land at South Warrington.**  **Invitation to participate in a mini-competition** |

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| **Panel:** | Property Panel |
| **HCA Area:** | North West Operating Area |
| **To:** | (Redacted), Jones Lang LaSalle |
| **From:** | (Redacted)  Cheshire and Warrington Team  Homes & Communities Agency  North West |
| **Date:** | 3rd August 2015 |
| **Deadline for return bids:** | 12 noon Tuesday 1st September 2015 |
| **Address for return of tender:** | (Redacted)  Homes & Communities Agency  110 Birchwood Boulevard  Birchwood  Warrington  WA3 7QH  Email (Redacted) |
| **Appendix documents:** |  |

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| 1. **Introduction and Background** |
| The HCA has extensive land assets within South Warrington. This includes three sites known as Pewterspear Green, Appleton Cross and Grappenhall Heys. These 3 sites total approx. 48ha and they are situated outside the designated greenbelt. The HCA is keen to promote these sites to Warrington Borough Council for residential development in support of the Government’s ambitions to accelerate the delivery of surplus public sector land for housing as well as generating a substantial land receipt.  The first of these sites to come forward will be the residue of land at Pewterspear Green for which HCA is now seeking to appoint a team of consultants via the HCA’s multi – disciplinary panel to prepare and submit a robust outline planning application for residential use. Some 40ha is situated at Appleton Cross and at Grappenhall Heys and will be subject to a separate master planning commission as they will require the preparation of a planning advocacy document (Development Statement) and detailed master plans identifying development parcels and phasing prior to the submission of outline planning applications.  Further into the future, subject to planning policy and due statutory process, land that currently sits in green belt could be brought forward for residential purposes.  This brief provides additional detail about the services required to deliver the disposal of land at Pewterspear, Appleton Cross and Grappenhall Heys as well as providing a strategic overview / market viability analysis of the full portfoilio of HCA land holdings in South Warrington. It invites submissions in response to the scope of work and experience required. In order to do this, we ask you to respond to the requirements set out in the scope (Section 6), the evaluation criteria (Section 12) and structure your response based on the pro-forma attached to this brief.  The HCA has opted for this single stage tender process as it is **imperative** that the site at Pewterspear receives outline planning consent for residential use and is disposed of as soon as possible.  5 consultants from the panel have been invited to tender for this work. |
| 1. **Objectives** |
| The HCA Cheshire & Warrington area team require marketing, valuation and disposal advice and assistance for 48ha of land at Pewterspear Green, Appleton Cross and Grappenhall Heys. Following outline planning consent, the intention is to dispose of all three sites (in a phased fashion) for residential development, via a competitive freehold disposal. There will be an opportunity to establish two small local centres in support of residential development at Grappenhall Heys and Appleton Cross. Further strategic market and viability advice is required across the total HCA land portfolio in South Warrington which totals some 270ha, of which 220ha lies in designated greenbelt.  The HCAs objectives are as follows:   * To instruct a consultant team to support HCA’s appointed planning consultants to secure residential outline consents at Pewterspear, Grappenhall Heys and Appleton Cross. * To work with HCA to bring these sites to the market, provide clear viability advice and to assist the freehold disposal for residential development following a clear marketing and disposal strategy that potentially could increase land values over time. * To provide a strategic market viability overview and analysis of the remaining South Warrington land portfolio that currently sits in greenbelt.   The appointed consultant is required to:   * Contribute to and provide information for the appointed planning consultants. There will be two planning teams. One for Pewterspear and one for both Appleton Cross and Grappenhall Heys. It is envisaged that the work will include site specific market analysis and viability assessment and particularly at Grappenhall Heys and Appleton Cross, this will inform the master planning process, determination of development parcels and the submission of outline consents. * Produce and agreed marketing and disposal strategy for Grappenhall Heys and Appleton Cross. * Assist HCA in all advertised and competitively tendered freehold land disposals. * Provide an overarching strategic market viability analysis for the total South Warrington portfolio.   More detail is found in the scope of works at section 5 |
| 1. **Site and Surroundings** |
| **Overview**  Pewterspear Green comprises 4 parcels of land totalling 7.54ha (gross), Grappenhall Heys is 20ha gross and Appleton Cross 20ha gross and are part of HCA’s land assets at Warrington South, previously acquired by the Commission for New Towns (CNT) using its CPO powers for residential use during the 1970s and early 1980s. In 1999 the land assets and powers transferred from the CNT to English Partnerships and subsequently the HCA. During this time significant house building took place until March 2000 when PPG3 came into force. This effectively ended any residential development in South Warrington on the basis that brownfield land had to be developed before greenfield land. The land at Pewterspear represents a stalled housing site which is not in designated greenbelt. The site is ready for residential development and is serviced by highways infrastructure, footpaths, cycleways and green corridors and lies outside any restrictive planning designation. The land is currently bounded by stock fencing and is let for agricultural and grazing purposes. Grappenhall Heys and Appleton Cross have similar planning status and access arrangements however given their size and nature, these require master planning and development parcels determining prior to a phased freehold disposal.  **Surrounding land uses**  The surrounding land uses are predominantly residential. A multi-fuel pipe line passes underground through the area.    **Access**  Strategic highways are already in place along with access stubs into the sites however a further distributor road is required to connect Appleton cross with Grappenhall Heys and on to Howshoots however this will cross green belt land in HCA ownership.  **Topography**  The sites vary from being a flat greenfield site at Pewterspear to undulating land at Grappenhall Heys and Appleton Cross.  **Enclosure**  The sites are enclosed by established green infrastructure and stock fencing.  A site location plan, red line boundary plan and land ownership plan for each site is included within the information pack. |
| 1. **Planning Policy Context** |
| All three sites were allocated as a “strategic housing site” within Warrington Council’s Unitary Development Plan. This designation was carried over into the draft Core Strategy (policy CS9) but was removed by the Planning Inspector on the grounds that if the Council had a 5 and 10 year supply of housing land, negating the need to allocate housing for strategic purposes. Warrington Borough Council adopted their Core Strategy in July 2014 as recommended by the Planning Inspector, which effectively placed the site into “countryside” with no designated use.  The Core Strategy has recently been the subject of a High Court Challenge, the results of which mean the Council has withdrawn the housing chapter to revisit the housing target numbers. Following due process it is expected the Council will have an adoptable housing element in January 2016. The Council anticipate that the housing numbers will need to increase substantially and in order to meet statutory 5 to 10 year housing land supply requirements, the HCA non-greenbelt land in South Warrington is now required.  This latest development provides a real opportunity to bring forward the land at Pewterspear Green, Appleton Cross and Grappenhall Heys more quickly. The HCA has two priorities. One is to bring public land to the market in support of the government’s target to deliver 200,000 new homes in the next five years. However the overriding imperative for the HCA, is to maximise the freehold land receipt, in recognition of the fact that the local neighbourhood is a well-established, high value and highly desirable place to live.  The LPA has informed the HCA that as HCA’s land has previously been designated as “strategic housing land” in the UDP and is still subject to the Commission for New Town (CNT) S(7)1 and S(7)2 consent powers these are a material consideration in planning terms when assessing site achievability and deliverability as part of the site allocation process. This will further the chances of gaining a residential allocation and lessen the likelihood of planning consent not being granted on policy grounds.  Any subsequent outline planning application, as part of the accompanying planning statement will therefore need to robustly prove in policy and practical terms that residential development should be permitted on the site.  Whilst there is full support for this site within Warrington Council, HCA may have to submit an outline planning application under NPPF if the local plan is not determined before then. |
| 1. **Scope of Work** |
| The commission requires the consultant to   * Provide valuation and cost consultancy advice to inform and test master plan viability to establish potential residual site values in line with RICS guidance. * Assist the planning consultants on establishing the case for residential consent. * Provide valuation advice on the final schemes included in the 3 outline planning applications. * Support discussions with Warrington Borough Council’s Planning Department in assessing the impact on viability arising from proposed s.106, CIL and s.278 contributions linked to three outline planning applications. * Formulate the most appropriate phasing plan and disposal strategy at Grappenhall Heys and Appleton Cross (to one or more development partners) to enable maximum site value to be secured. * Market the sites according to the disposal strategy and assist in the selection of a preferred developer (s) or developer consortia across all three sites over the appropriate timeframe dictated by the disposal strategy. * Provide valuation advice confirming best value has been achieved through the disposal process across all three sites. * Provide a high level strategic opinion of the probable land values, market viability and potential disposal advice for the full HCA portfolio in South Warrington including the 220ha of green belt land, assuming green belt designation is altered in future years.   **Disposal**  It is anticipated that outline planning consent will be secured at Pewterspear by January 2016. The proposed delivery method and timescale to bring the project to the market is through a Full Open Market Tender. Approval has been granted to exclude this site from the HCA’s Delivery Partner Panel and from the requirements of OJEU. Disposal(s) will be through a Building Lease with an option to purchase freehold subject to planning and include the opportunity for developers to pay on a ‘Build Now, Pay Later deferred payment’ basis. Unconditional offers for freehold title will also be considered. HCA will not be imposing any requirement to deliver any services over and above those required for the development and will not be requiring any standards over and above those stipulated within the outline planning permission.  Reserved Matters consent will be the responsibility of the Preferred Developer(s) to obtain in accordance with the agreed terms of the Agreement to Lease and subsequent Building Lease.  Similar disposal routes will be adopted at Grappenhall Heys and Appleton Cross but full consideration will be given to other routes if highlighted in the marketing and disposal strategy.  The property consultant will be expected to lead on a number of areas such as, but not limited to, briefing of developers and preparing a sifting and final brief, scoring of bids, together with the preparation of the Tender Pack and collating the technical appendices, leading pre-tender and post tender meetings (where necessary) and keeping a record of all developers contacted and their responses.  In order to minimise the impact on the environment and to ensure speed, consistency and clarity within the bid process, the property consultant will be required to create and host a web based portal, through which all correspondence with bidders can be channelled.  The consultants site specific appointment extends to the point at which the detailed terms for the disposal of the site to an identified Developer(s) are ratified by the HCA.  Further details on the typical activities are as follows:  **Market and Viability Work**   * Production of a marketing and disposal strategy for both Grappenhall Heys and Appleton Cross which defines development parcels and contributes to the overall master plan for both areas.   **Parcel Disposal**   * Provision of property advice to the HCA’s retained planning consultants to support the development of 3 outline planning applications for residential development. * The reasoned analysis of house values based on a presiding masterplan with an assessment according to house type and tenure. * Provision of professional advice relating to the proposed phasing of the development in order to achieve best value. * Provision of a cost plan in relation to the foreseeable development costs including construction costs, design fees, finance, planning and building regulations, stamp duty etc. * Development appraisals and assessments in order to derive land values. * Supplementary analysis of residential land prices in order to advise the client as to an anticipated site value based on the Outline Planning Application and its conditions. * Further analysis of the cost of s 106 and s 278 agreements, and their effect on the residual site value. * Supporting the Project Delivery Team in the preparation of the Key Criteria checklist and evaluation matrix in relation to disposal. * Supporting the Project Delivery Team and lead on the preparation of the Tender Pack and the evaluation matrix, to include collating the technical appendices of existing technical and factual reports and statements. * Establishing and hosting of a web based information portal through which the Developers will be provided with technical appendices. * Undertaking the marketing of the opportunity and ensuring that it accords with the relevant HCA procurement protocols. * Leading the Project Delivery Team in undertaking the initial contact with the developers and scheduling responses. * Distributing the Brief to all developers and interested parties who responded positively during initial contact. * Support the Project Delivery Team by co-ordinating the evaluation of the sifting brief responses and to provide bidders with feedback * Circulating information to shortlisted Bidders, liaise with Bidders and lead pre-tender meetings with the Project Delivery Team and Bidders. * Supporting the Project Delivery Team in the selection of a preferred delivery partner, by reviewing, appraising and advising on the shortlisted development proposals submitted by Bidders. * Providing all necessary pre-sale and franking valuations and a Preferred Partner selection recommendation. * Liaising as necessary with stakeholders, including Warrington Borough Council. * Providing information, as requested by the Project Delivery Team, in order to prepare papers and reports for internal HCA approvals for the Partner selection. * Supporting the joint working approach between the Local Authority and HCA, and to report to the Project Delivery Team, as required.   **Strategic Market Viability Analysis**   * Provide an in-depth report on the entire HCA land portfolio in South Warrington.   The following services will be procured separately by the HCA from other panels and are not part of this competition:   * Legal * Planning and all technical support |
| 1. **Progress to date** |
| The HCA has not undertaken any significant work on any of the three greenfield sites other than provide highways access stubs and a combined footpath and cycle route across the site across Pewterspear. This is lit and has been fully adopted by the Council.  The HCA has met with Warrington Borough Council on a number of occasions to discuss the sites in South Warrington, and the two parties are keen to continue this positive partnership working. WBC is supportive of the three non- green belt sites coming forward providing a robust case can be made. The three sites are in the SHLAA. |
| 1. **Timescales** |
| In responding to this brief Panel members should be aware of indicative timescales. It is intended to release Pewterspear first as this does not require master planning. Outline Planning Consent should be achieved by January/February 2016. It is intended to market the freehold in January 2016 in anticipation of planning being achieved. The disposal should be unconditional by March 2017.  Grappenhall Heys and Appleton Cross disposals should follow the agreed marketing and disposal strategy, but it is imperative that momentum is maintained. |
| 1. **Project Management & Structure of Commission** |
| This instruction is made directly by the HCA for work in relation to land under its ownership.  (Redacted) of the Warrington office will be the key point of contact. V(Redacted) will also be supporting this project. The relationship will be solely with the HCA and funding to deliver this work has already been identified within our current financial programme. The chosen consultant will be appointed under HCA’s panel arrangements and will have a duty of care to HCA.  Project meetings will be held when appropriate based upon progress within the project and coincide with appropriate decision making. Meetings will not be programmed in advance and there will be no reoccurring structure. Project meetings may include representation from Warrington Borough Council.  The successful party will be expected to work with the project team within the HCA but also with our local authority partners and all relevant statutory consultees. Warrington Borough Council will be the planning authority determining the planning applications and therefore an understanding of this organisation and their decision making processes (including committees) will be required. |
| 1. **Budget** |
| The Panel consultant should set out a budget which will be appropriate to undertake the scope of work identified. It is suggested that estimated fees are proposed against a breakdown of areas of work required.  **The fee submitted should be a maximum fixed fee and will not be subject to review once the instruction commences, unless there are very exceptional circumstances where additional work (which could not be foreseen) is required.**  The reimbursement will be on lump sum basis, based on hourly rates for named staff. Payments will be on a monthly basis in proportion to progress achieved. Invoices for work must be received by the HCA by the 20th of each month to ensure payment that month. |
| 1. **Key Deliverables** |
| There are two key deliverables associated with this project:   * The freehold disposal of 48ha of greenfield land in South Warrington for best consideration according to a market facing disposal strategy. * The production of a high level report on the market viability, possible values and strategic analysis of the whole South Warrington land portfolio. |
| 1. **Response to ITT & Evaluation Criteria** |
| In responding to this brief the only information that should be considered is contained within this document or otherwise communicated in writing to Panel Members. Panel Members are asked to prepare their response based on the requirements set out in the scope (Section 5), the evaluation criteria (this Section) and the pro-forma (attached to this ITT). Responses should be no more than 15 A4 pages. Include CV’s of only the key staff which will be directly working on the project with a maximum one sheet of A4 per person.  The submissions will be evaluated on a 70% price / 30% capacity to deliver matrix. Interviews are proposed as part of the selection process. Within the mini tender return it is expected that the consultant shall demonstrate:   * A method statement and project plan of how they intend to deliver the commission. * Highlight any other relevant issues and itemise their potential cost separately. * A clear fee structure for the project team showing estimated staff time and rates. The submission should clearly define the final fee proposed. * Three good examples of comparable commissions. Emphasis will be placed on Panel Consultant’s ability to demonstrate relevant experience within a tight time constraint, for both public and private sector clients. * The use of sub-consultants and their role must be clearly identified.   Bids will be assessed on the criteria set out within the pro-forma below. |
| 1. **Timetable for responding to ITT** |
| **The deadline for receipt of responses is 12 noon Tuesday 1st September 2015**  HCA require 1 hard copy and one CD submission by post. **Emailed submission responses are not acceptable.** Please return responses to:  (Redacted)  Homes & Communities Agency  110 Birchwood Boulevard  Birchwood  Warrington  WA3  If you require further information concerning the tender process please in the first instance put your query in writing / email to either (Redacted) |

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| **Response to invitation to participate in a mini competition** |

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| **Panel:** | Property Panel |
| **Project Name:** | HCA Land at South Warrington |
| **To:** | (Redacted), HCA Cheshire & Warrington Team |
| **From:** | <Name of contact>, <Job Title>, <Company> |
| **Date:** |  |
| **Deadline:** | **12 noon Tuesday 1st September 2015** |

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| **Experience and technical merit of proposal (10 marks) score 10 very good bid rounded offer full appreciation of what wanting to achieve. Good experience direct relevance at Omega** |
| * Relevant experience of marketing and disposing of public sector land for residential use (including valuation and viability advice) * Suitable method and approach * Understanding of external influences * Completeness of services offered * Knowledge of site and experience of working in the local area |
| **Staff and other resources (5 marks) score 5 good team proven track record** |
| * Identification of Project Lead & suitability * Appropriate range of skills set across team * Allocation of key staff to meet objectives according to the programme (see below) & time allocation weighting. |
| **Management and communication (5 marks) score 5 good track record direct experience good relationship with developers and HCA** |
| * Track record of working together as a Multi-Disciplinary team * Project management structures * Means of communicating with the client * Existing relationships with relevant partners which may assist commission |
| **Programme (10 marks) score 10 proven understanding of HCA** |
| * Consultant’s proposed programme * Sensible periods of time proposed for each milestone * Speed of delivery * Appropriate time for client approval and sign off |
| **Price (70 marks)** |