



Pre-Tender Market Engagement

Analysis of build-out on land sold by central government Public Sector Land for Housing programmes (2011-2015 and 2015-2020) for future policy development [PSL Analysis]

Authority: Department for Communities and Local Government (DCLG) (“**the Authority**”).

Date Response required: 5pm (GMT) on 26/01/2018

1 PURPOSE

1.1 This Pre-Tender Market Engagement (PTME) seeks information in preparation for the potential procurement of a Supplier (from herein referred to as a “**Potential Supplier**”) to conduct an analysis of the determinants of build-out on land sold by the previous and current Public Sector Land for Housing programmes (2011-15 and 2015-20). The purpose of this PTME is to:

- 1.1.1 help define the requirement;
- 1.1.2 help provide a better understanding of the feasibility of the requirement;
- 1.1.3 understand the best approach;
- 1.1.4 understand the capacity of the market to deliver and possible risks involved;
- 1.1.5 provide the market with an opportunity to ask questions, raise queries and any issues to be addressed at an early stage; and
- 1.1.6 understand the potential cost of completing the requirement.

1.2 The Authority shall maintain commercial confidentiality of information received during the PTME.

2 INTRODUCTION

2.1 The Public Sector Land for Housing programme is completing its third year of implementation. Ministers have asked us to look beyond the release of land to the wider programme intent of helping to deliver a step change in providing much-needed homes quickly. We have contracted an external provider to monitor the progress of development (“build-out”) on sites released under both the previous (2011-2015) and current (2015-2020)

Public Sector Land for Housing programmes. This monitoring involved seeking retrospective data on progress of homes built (both homes started and completed) on land sold through both the current and previous programmes.

2.2 Further analysis is required to interpret the results of this monitoring, to understand the determinants of build-out on sites disposed by the previous Public Sector Land for Housing programme (only, not the current programme) and the obstacles that remain. This will help to inform future policy decisions and improve implementation on speeding up build-out of surplus public sector land.

3 HIGH LEVEL OUTLINE PROJECT OUTCOMES REQUIRED

3.1 The tender will have two elements: quantitative and qualitative, as it is necessary to establish 'what' is happening, as well as 'why'. We recommend that the quantitative and qualitative approaches occur concurrently.

3.2 The required research has three components: 1) data collection, 2) qualitative analysis and (concurrently) 3) quantitative analysis.

3.3 The first component will involve gathering information on sites disposed by the previous Public Sector Land for Housing programmes relating to the determinants of the rate of build-out, including but not exclusive to:

- disposal method, including transfer to the HCA (the Supplier will need to gather this from developers, DCLG will provide some of this)
- planning conditions (the Supplier should contact Local Authorities for this)
- developer characteristics (major vs SME) (DCLG to provide this)
- site location (DCLG to provide this from OS monitoring data)
- local housing need (DCLG to provide this)
- proximity of other sites (eg public sector land sites or housing developments) (the Supplier should contact Local Authorities for this)
- tenure mix (DCLG to provide this from OS monitoring data)
- site complexity (DCLG to provide this)

3.4 The second component will focus on specific case studies, which will be chosen by DCLG. This will involve open-ended surveys or semi-structured interviews with government departments, local authorities, developers and/or the HCA on a sub-set of sites, including case studies of good practice on a range of site categories: small/large sites, high-demand/low-demand locations and urban/rural settings. There will also be case studies on sites where build-out has been slower or has not been achieved, with a particular focus on the obstacles to construction. This will enable a detailed consideration of the process from

scoring to the programme to planning permission to build out, which cannot be observed to this level of detail on all sites and has not previously been covered by monitoring. This detail should offer greater scope for addressing whether the planning obstacles faced are unique to PSL sites, specific local authorities or government departments.

- 3.5 The final component will run concurrently with the second component and involve a quantitative analysis of the data obtained by the first component and provided by DCLG. This will involve a regression analysis of the determinants of build-out on PSL sites, with insight into the determinants of build-out.

4 OUTPUTS/DELIVERABLES

- 4.1 The Potential Supplier will be expected to provide the following deliverables:
1. Twenty case studies on sites scored by the previous and Public Sector Land for Housing programmes, approximately one page in length and covering the determinants of build-out or obstacles to construction. These will be developed using open-ended surveys and/or structured interviews.
 2. A quantitative analysis summarising the key determinants of build-out on sites disposed in the previous Public Sector Land for Housing programme (only).

5 KEY DATES & TENDERING PROCESS

- 5.1 If it is decided this service is required, it is anticipated that procurement may start in February 2018 with the contract to commence in April 2018. These indicative dates are for information purposes only. DCLG reserve the right to amend these dates at any time, and Potential Suppliers rely on them entirely at their own risk.
- 5.2 The contract is expected to be for a period of two months.
- 5.3 The component (gathering the information in paragraph 3.3) will be expected one month from commencement of the contract. The final deliverables will be expected at the end of the two month contract.
- 5.4 The budget for this piece of work has not yet been set, however we expect the cost to be between £80,000 and £90,000.

6 RESPONSE

6.1 Please respond by email to Neil Gandhi on neil.gandhi@communities.gsi.gov.uk with the following by 5pm (GMT) on 26/01/2018 (the “Response Deadline”).

- Q1 Would you be interested in bidding for this project?
- Q2 Is this project deliverable in the timeframe proposed?
- Q3 Is what the Authority asking for clear?
- Q4 What, if anything, has the Authority missed or overlooked in setting out their requirement?
- Q5 Is there anything here which is irrelevant, outdated or unnecessary?
- Q6 What would the indicative cost be for this piece of work?
- Q7 What would be the cost of each component and deliverable for this piece of work?

7 QUESTIONS AND CLARIFICATIONS

7.1 Potential Suppliers may raise questions or seek clarification regarding any aspect of this PTME document at any time prior to the Response Deadline. Questions must be submitted by email to Neil Gandhi on neil.gandhi@communities.gsi.gov.uk

7.2 To ensure that all Potential Suppliers have equal access to information regarding this PTME exercise, responses to questions raised by Potential Suppliers will be published in a “Questions and Answers” document, which will also be circulated by email, with updates appearing at regular intervals (approximately two to three working days).

7.3 Responses to questions will not identify the originator of the question.

7.4 If a Potential Supplier wishes to ask a question or seek clarification without the question and answer being revealed, then the Potential Supplier must state this in their email and provide its justification for withholding the question and any response. If the Authority does not consider that there is sufficient justification for withholding the question and the corresponding response, the Potential Supplier will be invited to decide whether:

7.4.1 the question/clarification and the response should in fact be published; or

7.4.2 it wishes to withdraw the question/clarification.

8 GENERAL CONDITIONS

8.1 This PTME will help the Authority to refine the requirements and to understand the potential level of interest in the delivering requirements. It will also aid Potential Supplier’s understanding of the requirements in advance of any formal competitive tender exercise.

- 8.2 The Authority reserves the right to change any information contained within this PTME at any time, and Potential Suppliers rely upon it entirely at their own risk.
- 8.3 The Authority reserves the right not to proceed with a competitive tender exercise after this PTME or to award any contract.
- 8.4 Any and all costs associated with the production of such a response to this PTME must be borne by the Potential Supplier.
- 8.5 Information contained within this document is confidential and must not be revealed to any third party without prior written consent from the Authority.
- 8.6 No down-selection of Potential Suppliers will take place as a consequence of any responses or interactions relating to this PTME.
- 8.7 The Authority expects that all responses to this PTME will be provided by Potential Suppliers in good faith to the best of their ability in the light of information available at the time of their response.
- 8.8 No information provided by a Potential Supplier in response to this PTME will be carried forward, used or acknowledged in any way for the purpose of evaluating the Potential Supplier, in any subsequent formal procurement process.