



Homes &  
Communities  
Agency

# HOME BUILDING FUND

## HCA-I TRANSACTIONS & PORTFOLIO MANAGEMENT TEAM

Eastfield House, Baldwin Close,  
Northampton, NN3 6AY. Title Number:  
NN165784: Planning Reference:  
N/2015/1445.

## MONITORING SURVEYOR SERVICES

19 JANUARY 2017

*Invitation to Participate in a Mini Competition*

**Panel Name:** Property Panel

**Project Name:** Eastfield House, Baldwin Close, Northampton, NN3 6AY. Title Number: NN165784: Planning Reference: N/2015/1445.

**Date:** Thursday 19 January 2017

**Reference Number:** BB/249/KEL/ NN165784/ N/2015/1445.

**To:** (Stephen Fowler / WYG)

**From:** [REDACTED] **Senior Manager – Transactions.**  
**Homes & Communities Agency, 4th Floor, 5 St Philip's Place,**  
**Colmore Row, Birmingham. B3 2PW.**

## 1. Objectives

The Homes and Communities Agency ('HCA') is seeking to appoint a Monitoring Surveying (MS) Firm from its national Property Panel. The appointed Surveyor's role will include providing initial due diligence and ongoing monitoring of the development works in respect of the property known as Eastfield House, Baldwin Close, Northampton, NN3 6AY. Title Number: NN165784: Planning Reference: N/2015/1445. All work will be instructed under the standard terms of the HCA's Property Panel dated November 2014.

## 2. Background

The Home Building Fund is a £3bn HCA-I investment programme created to restart and speed up housing developments between 5 and 250 units 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 HBF programme can be found at:

<https://www.gov.uk/homebuildingfund>

The HCA-I Transaction and Portfolio Management teams require the services of an Independent MS Firm to provide project cost and monitoring services to support the successful delivery of the development of an ex NHS staff building which applicants have obtained planning to build 14 @ 3 bed semi-detached houses on the site. This property is surrounded by established residential properties. Specification: Two storey, 3 bedrooms, 1 bathroom, 1 en-suite, open plan kitchen/diner and at least one parking space per dwelling. Average car parking provision is 1.71 spaces per dwelling.

The scope of reporting requirements includes;

- 1) An initial report for the 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 HCA-I Transaction Manager, 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 HCA-I post the initial report will be managed by HCA-I Portfolio Management who are responsible for housing output delivery and receipt recovery.

We believe a competitive fixed fee based on the recommended reporting format is achievable. Appropriate evidence on how you will manage this commission should be evidenced as part of your tender return. This projects relates to residential housing development of new build housing.

Please note we may instruct the MS Firm to commence the initial report prior to concluding legal documentation.

### 3. Details of the transaction

No.	Item	Value/ Details
1	Site Location:	Eastfield House, Baldwin Close, Northampton, NN3 6AY. Title Number: NN165784: Planning Reference: N/2015/1445.
	No. of Units:	14 Open Market
	Development Type:	Residential Houses
	Total GDV:	c£2.94m
	Total Scheme Costs:	c£1.8m (excluding land & finance)
	HCA Debt Funding (Inc leverage):	c£1.3m
	Construction Period	Build Time frame: 12 months Sale Time Frame: 6 Months
	Building Contractor:	No main contractor
	Procurement:	Borrower will be instructing separate sub contractors

### 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 a recommended reporting format.

### 5. Project Management and structure of commission

#### Key deliverables

The main objective of the commission is for the Monitoring Surveyor to provide regular monthly reports on progress of the scheme to ensure delivery of the site and repayment of the HCA loan. The Surveyor will work with both the Borrower and HCA-I and will need to attend site progress meetings for each scheme and quarterly meetings with HCA-I (or as otherwise deemed appropriate). [REDACTED] Senior Manager - Transactions HCA will be the initial point of contact on successful appointment for this Investment Transaction. Post completion of the initial report the key HCA-I relationship will be handed over to an identified HCA-I 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. Details of the firms experience which is most relevant to this commission;
3. CVs for the key personnel who will deliver this commission;
4. Conflicts of interest acknowledgements;
5. Fixed fee proposals for completing,
  - a) the Initial Report;
  - b) each Monthly Report
6. Time frames to complete site visit and provide initial draft report;
7. Time frames to complete monthly monitoring, site and report; and
8. Confirm proposed PI cover

The HCA 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 70:30 Price: Quality evaluation framework.

For further details on the 'Quality' evaluation framework please see Appendix 1

### 7. Procurement Programme Timetable

In relation to this mini competition exercise the following programme is envisaged;

- o HCA Issue of Brief – Thursday 19 January 2017
- o Responses issued to the HCA – **COB, Tuesday 24 January 2017**
- o Assessment of Responses – Friday 27 January 2017
- o Selection of Consultant – Monday 30 January 2017

### 8. Submission Requirements

Tenderers must return their proposals to the instructing officer: [REDACTED] in electronic format and 1 x hard copy to the address below by no later than **COB, Tuesday 24 January 2017**

[REDACTED] **Senior Manager – Transactions.**  
**Homes & Communities Agency, 4th Floor, 5 St Philip's Place,**  
**Colmore Row, Birmingham. B3 2PW.**

Following completion of the competition the HCA will provide feedback to every tenderer,

both successful and unsuccessful. It should be made clear that this debriefing will not change the award decision.

**9. Date of response required: COB Tuesday 24 January 2017**

**10. Queries**

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

Name:

Email/ Phone:

Signed

Date

**Senior Manager - Transactions  
Homes & Communities Agency  
4th Floor, 5 St Philip's Place  
Colmore Row, Birmingham. B3 2PW.**

## Appendix 1 'Quality' Evaluation Criteria Guide

<b>Evaluation Criteria</b>	<b>Mark</b>	<b>Total</b>
Conflict of Interest Acknowledgement	5	30
Quality of Staff & Experience against the commission	7	
Understanding of the brief, commission & HCA-Investments	7	
Geographic coverage	6	
Added value beyond the scope of commission	5	