

# INVITATION TO QUOTE

(This is not a Purchase Order)

Ref. No: CPBC PP24 – 01 – Castle Point Plan - Viability Assessment



# castlepoint

benfleet | canvey | hadleigh | thundersley

**CASTLE POINT BOROUGH COUNCIL**

## **Invitation To Quote**

**Castle Point Plan**

**Viability Assessment**

## **Instructions to Tenderers & Conditions of Quotation**

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	<b>Invitation Date: 11<sup>th</sup> June 2024</b>
<b>QUOTATIONS TO BE RETURNED TO:</b>	Amanda Parrott Assistant Director (Climate and Growth) <i>Place and Policy</i> Castle Point Borough Council Email: <a href="mailto:cpplan@castlepoint.gov.uk">cpplan@castlepoint.gov.uk</a>
<b>INSTRUCTIONS TO PROVIDERS</b>	
<ol style="list-style-type: none"><li>1. Quotations are requested for the provision of a Castle Point Plan, Viability Assessment.</li><li>2. Quotations <b>MUST</b> be made in either pdf format or in a format which is compatible with Office 365 and documents submitted electronically via the <a href="mailto:cpplan@castlepoint.gov.uk">cpplan@castlepoint.gov.uk</a> mailbox by: <b>12.00 noon on Tuesday 9<sup>th</sup> July 2024</b></li><li>3. Quotation providers must complete the attached pricing schedule in pounds sterling and provide any attached additional information requested.</li><li>4. The Provider agrees and accepts that any Quotation submitted by the Provider shall remain open for acceptance for a period of ninety (90) days from the closing date for the receipt of Quotations, and shall not alter, amend, vary, or withdraw without the prior written agreement of the Council.</li><li>5. Quotations other than on this form will not receive consideration.</li><li>6. Castle Point Borough Council (the 'Council') is not obliged or bound to accept the lowest or any Quotation.</li><li>7. The Council's General Conditions of Contract for Provision of Good &amp; Services will apply. Providers may view the Terms &amp; Conditions on the Council's website at <a href="http://castlepoint.gov.uk">STANDARD TERMS AND CONDITIONS (castlepoint.gov.uk)</a></li><li>8. Providers accept that by responding to this Invitation to Quote (ITQ) and in the event their Quotation is accepted, they will enter into and execute a contract (the 'Contract') subject to the Terms and Conditions of Contract without amendment, deletion, or addition. Providers also accept that by responding to this ITQ they are accepting that the Terms and Conditions of the ITQ and any subsequent Contract are in all circumstances fair and reasonable in all respects and the Provider (the 'Provider') shall be bound by the Terms and Conditions of the Contract forthwith and with effect from the Commencement Date of the Contract.</li><li>9. Any correspondence or request for clarification related to this ITQ must be submitted in writing via the Castle Point Plan mailbox – <a href="mailto:cpplan@castlepoint.gov.uk">cpplan@castlepoint.gov.uk</a>. Any such requests must be made at least forty-eight (48) hours prior to the submission return time and date deadline. Queries and/or requests for clarification will NOT be answered after the 2-day deadline. Replies will be sent to all Providers as a Clarification Notice via email, although the anonymity of the person raising the query will be maintained.</li><li>10. The Council is subject to the provisions of the Freedom of Information (FOI) Act 2000. If you consider that any information supplied for the purposes of this ITQ, or which will be supplied during the performance of the contract, is either commercially</li></ol>	

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sensitive or confidential in nature (within the meaning of the aforementioned Act), this should be highlighted in the body of the quote submission.

**11. Procurement Timescales:**

Action	Date
ITQ released	11 <sup>th</sup> June 2024
Clarifications closing date	5pm Friday 5 <sup>th</sup> July 2024
ITQ response returned	Noon Tuesday 9 <sup>th</sup> July 2024
Evaluation	12 July to 25 July 2024
Award decision	14 <sup>th</sup> August 2024
Contract Start	28 <sup>th</sup> August 2024
Contract Term	86 days (14 August to 11 <sup>th</sup> November 2024)

- 12.** Information supplied by the Council (whether in this letter or specification or otherwise) is supplied for general guidance in the preparation of the quotes. You should satisfy yourself by your own investigations with regard to the accuracy of any such information and no responsibility is accepted by the Council for any inaccurate information.
- 13.** Any supplier who directly or indirectly canvasses any member or officer of the Council concerning the award of the Contract for the provision of the Services, or who directly or indirectly obtains or attempts to obtain information from any such member or officer concerning any other quotation or proposed quotation for the Services will be disqualified.

## Introduction

1. Castle Point Borough Council (CPBC) is currently producing the Castle Point Plan, which will be the new Development Plan for the borough. Consultation has been undertaken to identify the issues to be addressed by the Plan, and an Issues and Options consultation is taking place in August-September 2024. Regulation 19 consultation on the draft Local Plan is expected to take place in February 2025, and the Council intends to submit the Local Plan to the Secretary of State in May 2025.
2. National planning policy requires local planning authorities to consider the viability of new development through the production of a local plan. Paragraph 69 states that local plan policies 'should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability'. A viability assessment is therefore required to support the submission and examination of the Local Plan, to inform the Council what level of affordable housing and S106 requirements are appropriate without rendering new development in the Borough unviable.

## The Local Plan & Site Typologies

3. The draft Local Plan is at an early stage but progressing rapidly. A Call for Sites has been conducted, an estimate of the urban capacity on brownfield sites has been made, and potential green belt sites have been identified. These are subject to change as a Strategic

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Land Availability Assessment is confirmed, but the likely development site typologies, existing land uses, and potential future densities have been identified.

4. There are 11 sources of developable land in the borough: Ten of these are brownfield, located within the urban areas of the borough. These consist of: surface car parks, supermarkets, shopping parades, underutilised grass, small industrial sites, community buildings, garage sites, automotive-focused sites in town centres, retail warehouses, large-scale (designated) employment areas. These sites have the potential to deliver the majority of local housing need, but it is recognised that they have existing uses, and therefore values, which will limit viability and the range of development outcomes and opportunities for planning gain. Additionally, there are large-scale green field sites that could be released via a green belt review. These sites would be expected to have a very different financial profile.
5. New development is expected to be allocated within an “urban-first” Local Plan spatial strategy. Most sites are relatively small, generally either in or around a town centre or on a bus route. As such there will be an expectation that they provide mixed use development, generally with an active, town centre, ground floor use, generally with residential use above. Some sites may be identified for a mix including employment floorspace. Large green field sites are likely to be substantially different from the other types of sites, being larger green belt releases for new homes and associated infrastructure divided horizontally rather than vertically.
6. The Council has not yet decided whether to undertake a green belt review. Potential green belt areas have been proposed through the Call for Sites, but the Council is consulting on a range of options in the Summer of 2024, not all of which will include greenfield development. As such it is important that the greenfield site analysis is “detachable” from the urban site analysis in this study.

## Existing & Emerging Evidence

7. The Castle Point Borough Infrastructure Delivery Plan (IDP) (October 2019) identified all known infrastructure costs associated with the development of Local Plan strategic allocations. Potential S106 contributions for strategic sites allocated in the draft Local Plan were identified in the IDP to range from £6,000 to £22,000 per dwelling.
8. The Castle Point CIL came into effect on 1<sup>st</sup> May 2023, with rates of £250/m<sup>2</sup> for new houses, and £90/m<sup>2</sup> for new flats on the mainland, and £34-£120/m<sup>2</sup> for new houses and £27-£30/m<sup>2</sup> for new flats on Canvey. The latest indexed rates will need to be included in future viability assessments.
9. Additional Viability work was undertaken to support the Examination in Public of the withdrawn Local Plan. This document includes updated valuations, including the emerging impact of Essex CC’s revised Developers’ Guide to Infrastructure Contributions.
10. An update to the Viability evidence to support the draft Local Plan is required to consider information within the updated IDP, and changes to development costs associated with the draft strategic site allocations.

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## Project Outputs

11. The Council requires a suitably qualified consultant to complete the following tasks:

1. The production of a Local Plan viability assessment report to inform the setting of affordable housing, infrastructure, and design policies within the Castle Point Plan.
2. Technical support to review Local Plan consultation responses in relation to viability implications.
3. Supporting the Council on viability matters prior to and during the Examination in Public of the Castle Point Plan.

## Local Plan viability assessment content

12. The updated Viability Assessment content expected is:

- A. An assessment of the current build costs, values, and resultant viability of an appropriate range of types of development, based on current national planning policy and guidance, and recent appeal precedents. This should include comprehensive research and consultation with the local development industry to establish an understanding of locally specific development costs and assumptions which should be included within the assessment in accordance with the PPG. A statement should be included within the document indicating that the policy context is up to date at time of publication.
- B. Review the viability implications of the policies in the Regulation 19 version of the draft Local Plan, ensuring that the assessment is updated in terms of all policy requirements.
- C. The assessment should clearly identify where policy requirements have an impact on the viability of development and set out recommendations for any changes which may be required to the draft Local Plan policies to support the viability of new development in the area.
- D. An assessment of the “Policy on” viability of a range of the range of types of development allocated in the Plan. This should be delineated based on proposed development type, existing uses, and locations within the Borough. The types of development, uses, and locations to be tested within the assessment should be agreed in advance with the Council. This will include testing:
  - An allowance for the Essex Coast RAMS
  - An allowance for biodiversity net gain and an option to seek higher levels of biodiversity net gain
  - An allowance for integrating an urban greening factor
  - An allowance for net zero development (operational carbon)
  - An allowance for net zero development (embodied carbon)
- E. Reviews the Council’s affordable housing requirements in relation to development costs, to ensure the viability of new development within the Borough.

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- F. Ensures the allowance made for S106 contributions within the Viability Assessment reflects the requirements for infrastructure contributions set out in the updated IDP (to be provided upon appointment).
- G. The report should clearly present the results of the assessment, using tables where possible, to demonstrate the viability of development types tested. The assessment should include commentary on the findings, explaining why some types of development may be unviable in some or all parts of the borough, and what could be done to improve development viability. The assessment should also identify where some types of development are significantly viable, and could be capable of accommodating additional policy requirements, such as an increased affordable housing contribution.
- H. Presents the conclusions of the assessment in a manner which allows the consideration of varying levels of policy requirements, S106 requirements and affordable housing rates for each of the development typologies assessed. This should allow the Council to understand the potential impact of changes in policy requirements, S106 requirements and affordable housing requirements on the viability of that type of site. Figure 1 below provides an example of how this could be presented within the assessment. It is likely that there will be multiple recommendations where there is a difference in values between location or types of development site (i.e., greenfield / brownfield).

**Figure 1: Example of a table to present the results of the viability assessment of Local Plan strategic sites.**

Site name		Affordable housing level								Key
		10%	15%	20%	25%	30%	35%	40%	45%	
Policy Requirements	£5,000	Green	Green	Green	Green	Green	Green	Green	Yellow	Red
	£10,000	Green	Green	Green	Green	Green	Green	Yellow	Red	Red
	£15,000	Green	Green	Green	Green	Green	Yellow	Red	Red	Red
	£20,000	Green	Green	Green	Yellow	Yellow	Red	Red	Red	Red
	£25,000	Green	Green	Yellow	Red	Red	Red	Red	Red	Red
	£30,000	Green	Yellow	Red	Red	Red	Red	Red	Red	Red

- 13. The Council also requires the assessment to be sensitivity tested in order to understand the scale of risk to the delivery of the Local Plan, and its policy requirements emerging from any changes to legislation. This sensitivity testing should be undertaken based on a review of the potential scenarios being put forward by various professional and specialist parties on the likely impacts on the housing market in the short, medium, and long term.

## Review of technical consultation responses

- 14. Following the production of the Viability Assessment, the Council will produce a draft Castle Point Plan for a statutory 6-week Publication consultation. The Council will review all consultation responses received, however there may be technical responses regarding the viability of development which may require expert viability related advice. The selected consultant will therefore be required to provide support to the Council to review specific consultation responses identified by the Council.

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15. The extent of support required by the Council will be dependent on the scale and type of responses received. It is unclear at this stage exactly how much support is required from a viability consultant for the completion of this task. It is therefore recommended that a day rate is provided for undertaking this task.

## Examination support

16. The Council may require expert viability related advice during the Examination in Public of the Castle Point Plan. This may include the production of written representations to an examining inspector, or attendance at examination hearings.
17. It is unclear at this stage exactly how much support is required from a viability consultant for the completion of this task. It is therefore recommended that a day rate is provided for undertaking this task.

## Outputs and timescales

18. The Council will be provided with a draft report for review and comment, setting out all the assessment work undertaken and the findings, prior to the completion of the viability assessment. The final report will be published as part of the draft Local Plan and CIL Charging Schedule evidence base and will be used to support the Plan and Schedule at examination(s).
19. Table 1 below presents the anticipated timescales for the production of the Viability Assessment update. Table 2 presents the proposed timescales for progressing the Viability Assessment for the Castle Point Plan.

***Table 1: Proposed timetable for the production of the Viability Assessment update***

Task	Estimated date of completion
Appointment	w/c 12 <sup>th</sup> August 2024
Inception meeting	w/c 27 <sup>th</sup> August 2024
Draft report	w/c 28 <sup>th</sup> October 2024
Completion of final report	w/c 11 <sup>th</sup> November 2024

***Table 2: Proposed timetable for the Castle Point Plan***

Task	Estimated date of completion
Issues & Options Consultation (Regulation 18)	August-September 2024
Publication of the Castle Point Plan (Regulation 19)	February - March 2025
Submission of the Castle Point Plan	May 2025
Examination in Public of the Castle Point Plan	June-December 2025
Adoption of the Castle Point Plan	March 2026



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## Submission requirements

20. Submissions to the Council MUST as a minimum include:

- a) A method statement, outlining how the project will be undertaken.
- b) A timetable, setting out all tasks included within the project, key milestones, meetings, and estimated completion dates for each task. Deviation from the timescales proposed above may be acceptable where reasoned justification for the alternative timescales is provided.
- c) Examples of similar work undertaken. This should include an example of how the results and findings of a viability assessment are presented.
- d) CVs for all members of the team.
- e) A fee proposal, outlining the time allocated to each team member. This should include a fixed fee proposal for task 1, and day rates for tasks 2 and 3.

## Evaluation Criteria

21. The criteria to be used by the Council in the evaluation process will be those set out below which include:

Evaluation Criteria	Marks	Weighting (%)
<b>Price:</b> Combined cost of all contract requirements.		<b>40%</b>
<b>Quality:</b>		<b>60%</b>
<b>Management and Structure</b> 1. Showing an understanding of the objectives, deliverable and outputs for this commission.	/5	<b>10%</b>
<b>Method and Delivery</b> 2. Robust methodology statement.	/5	<b>20%</b>
3. Effective detailed supporting plan to ensure delivery of outcome and outputs.	/5	
<b>Experience and Knowledge</b> 1. Demonstrate how they will utilise previous experience and knowledge of providing similar types of work to ensure a successful delivery of the commission within budget and within the timescales outlined in the Specification.	/5	<b>30%</b>
2. Provide evidence of a minimum of two other examples of similar work having been carried out in the last 2 years for the public sector (see 22c).	/5	
3. Demonstrate a clear understanding of affordable housing, infrastructure, and design policies.	/5	
	Total	<b>100%</b>



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22. The overall top scoring submission based on all evaluation elements will be awarded the contract.
23. The Council reserves the right to undertake further discussions with any bidder in order to clarify the details of the submissions.
24. The bidder with the lowest price will receive the full percentage available. For all elements remaining bidders will be awarded a percentage based on the percentage difference in comparison to the lowest price, e.g., if Bidder B's price is 10% more expensive, they will receive 10% less marks.  
  
The calculation that will be used is:  $\text{Lowest bid price} / \text{bid price} \times \% \text{ available} = \text{Score applied}$ . The resultant percentage scores will be transferred across to the overall evaluation model.
25. The Bidder that achieves the highest combined score on the Evaluation Criteria will be awarded the contract.
26. The Response to this criterion is not to exceed 3,500 words.
27. Each criterion will be marked on a scale of 0 to 5. The table below sets out how these marks are allocated:

<b>0</b>	<b>Unacceptable</b>	The proposal does not demonstrate an understanding of the Council's requirements and issues with the proposal either being non-compliant or with a major risk that the intended outcomes/ performance standards will not be achieved and delivered, with the level of evidence in support of the proposal either unacceptable or non – existent.
<b>1</b>	<b>Very Poor</b>	The proposal demonstrates extremely limited understanding of the Council requirements and issues with a significant risk that the majority of the intended outcomes/ performance standards will <b>not</b> be achieved and delivered with the level of evidence in support of the proposal deficient in the majority of areas. Proposal shows significantly more weaknesses than strengths.
<b>2</b>	<b>Concern</b>	The proposal demonstrates some understanding of the Council requirements and issues with a risk that some of the intended outcomes/ performance standards will <b>not</b> be achieved and delivered with the level of evidence in support of the proposal deficient in certain areas and requires the reviewer to make assumptions. Proposal shows a balance of weaknesses and strengths.
<b>3</b>	<b>Acceptable</b>	The proposal demonstrates reasonable understanding of the Council requirements and issues and provides an acceptable degree of confidence that the intended outcomes/ performance standards will be achieved and delivered with an acceptable level of evidence in support of the proposal, but with some minor reservations. Proposal shows more strengths than weaknesses.

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4	Good	The proposal demonstrates a good understanding of the Council requirements and issues and provides a high degree of confidence that the intended outcomes/ performance standards will be achieved and delivered with the level of evidence in support of the proposal fully meeting expectations.
5	Very Good	The proposal demonstrates a comprehensive understanding of the Council requirements and issues and providing an exceptional degree of confidence that the intended outcomes/ performance standards will be achieved and exceeded in most respects with the level of evidence in support of the proposal exceeding expectations and demonstrating clear and strong evidence of delivery.

28. Once marked, each criterion shall have its score calculated as follows:

Mark Awarded x Weighting (%) = Score

Maximum Mark Available

## PRICE and Rates SCHEDULE

29. A budget of up to £30,000 (excluding VAT) has been allocated for this commission. All Prices shall be inclusive of VAT but must include all charges, costs, disbursements, and expenses (including, without limitation, all costs and charges for labour, parts, materials, travelling and other expenses, all relevant taxes, other than Value Added Tax, duties, and other relevant and applicable sums).
30. Payment for the Services shall be made by the Council to the successful Provider on completion of the Services. Provided that the Services have been properly delivered to and accepted by the Council, payment shall be due twenty-eight (28) days from the date of receipt and acceptance of correct invoice documentation by the Council. Invoices must be e-mailed to [cpplan@catslepoint.gov.uk](mailto:cpplan@catslepoint.gov.uk) and **MUST** clearly state the Contract Number together with the relevant Purchase Order Number at that time.

We hereby offer to provide the services at the prices stated on this and any attached forms in accordance with Castle Point Borough Council's General Conditions of Contract for Provision of Services.	
Signed:	Date:
Full Name:	Designation:
Company Name:	
Company Address:	

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Tel No.	E-Mail Address:
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## 31. ADDITIONAL INFORMATION REQUIRED

32. This additional information requested below has been designed to assess the suitability of a Provider to deliver the Council's contract requirement(s). Please ensure that all questions are completed in full and in the format requested. Providers may attach details to your Quotation but please ensure they follow the following format.
33. Whilst reserving the right to request information at any time throughout the procurement process, the Council hereby enables the Provider to self-certify in their Quotation submission that they comply with the requirements listed below. Providers who self-certify that they meet these requirements may be required to provide evidence of this if they are successful at contract award stage.

Please self-certify whether you already have, or can commit to obtain, prior to the commencement of the contract, the levels of insurance cover indicated below:	
Employer's (Compulsory) Liability Insurance* = £5,000,000	YES/NO
Public Liability Insurance = £5,000,000	YES/NO
Professional Indemnity Insurance	N/A
* It is a legal requirement that all companies hold Employer's (Compulsory) Liability Insurance of £5 million as a minimum. Please note this requirement is not applicable to Sole Traders.	

**PASS:** Confirms required levels of insurance in place or, if successful, will commit to obtain the required levels of insurance prior to the commencement of the contract

**FAIL:** Failure to confirm required levels of insurance cover in place and, if successful, to commit to obtain the required levels of insurance cover prior to the commencement of the contract

Modern Slavery Act 2015: Requirements under Modern Slavery Act 2015	
Are you a relevant commercial organisation as defined by section 54 ("Transparency in supply chains etc.") of the Modern Slavery Act 2015 ("the Act")?	YES/NO
If you have answered yes to the above question, are you compliant with the annual reporting requirements contained within Section 54 of the Act 2015?	<p>YES</p> <p>(Please provide the relevant URL ...)</p> <p>NO</p>

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	(Please provide an explanation)
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*PASS: Not a relevant commercial organisation or is a relevant commercial organisation and is compliant with Section 54 of the Act (or has a reasonable explanation as to why it is not compliant).*

*FAIL: A relevant commercial organisation that is not compliant with Section 54 of the Act (nor has a reasonable explanation as to why it is not compliant).*

Please self-certify that your organisation has a Health and Safety Policy that complies with current legislative requirements.	YES/NO
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*PASS: Confirmation received of a written Health & Safety Policy compliant with current legislative requirements*

*FAIL: No confirmation of a written Health & Safety Policy compliant with current legislative requirements*

Please provide the number of employees in your organisation	
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## **IMPORTANT**

34. The Provider must declare any conflict of interest in relation to the Council's requirement. The Council may exclude the Provider if there is a conflict of interest which cannot be effectively remedied. The concept of a conflict of interest includes any situation where relevant staff members have, directly or indirectly, a financial, economic, or other personal interest which might be perceived to compromise their impartiality and independence in the context of the procurement procedure.
35. Where there is any indication that a conflict of interest exists or may arise then it is the responsibility of the Provider to inform the Council, detailing the conflict in a separate Appendix to their Quotation. Provided that it has been carried out in a transparent manner, routine pre-market engagement carried out by the Council should not represent a conflict of interest for the Supplier.

Signed:	Date:
Print Name:	
Designation:	Company:
Tel No:	E-Mail Address: