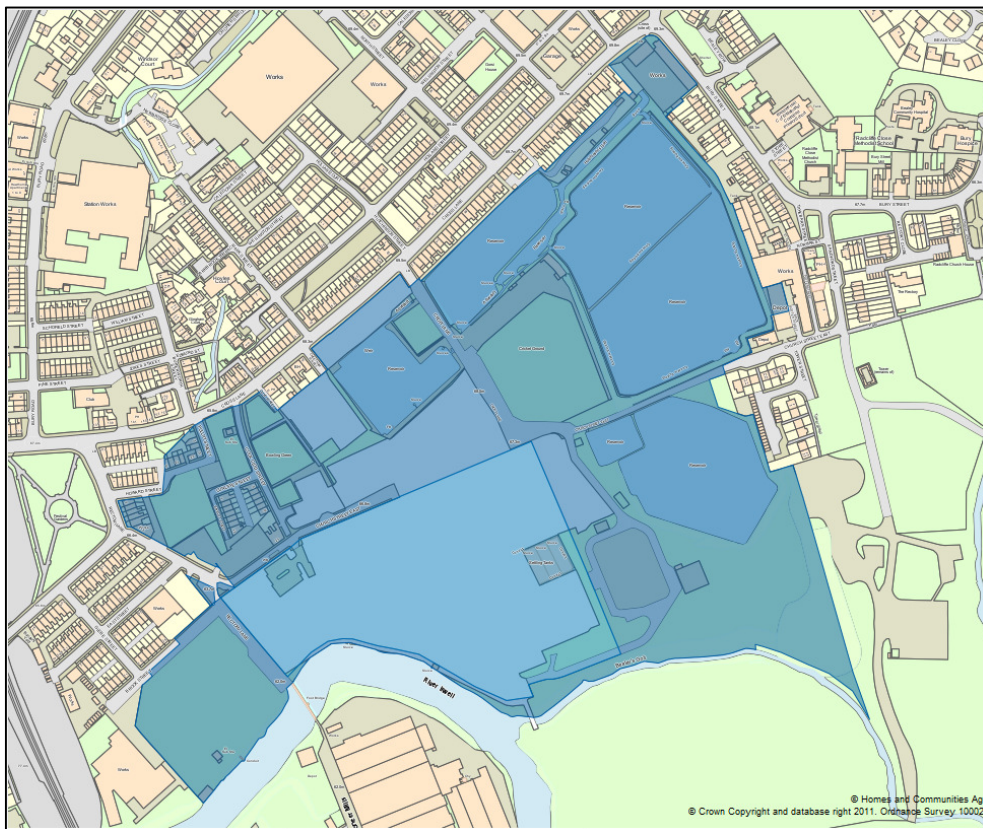




Homes &
Communities
Agency

Brief For Property Services

HCA North West Operating Area



**Former East Lancs Paper Mill, Cross Lane, Radcliffe, Bury,
M26 2PS**

Issued: Friday 26th August 2016

Deadline for response (4 weeks):

17:00 Friday 23rd September 2016

Panel:	Property Panel
HCA Area:	Greater Manchester, North West Operating Area
From:	Homes & Communities Agency, North West
Date:	Issued Monday 26 th August 2016
Deadline for return bids:	5pm on Friday 23rd September 2016 (4 weeks)
Appendices	<ul style="list-style-type: none"> • Appendix 1 – Site Plan • Appendix 2 – response to invitation to participate in a mini tender

1. Introduction
<p>The HCA and Bury Council (“the Clients”) are jointly seeking to appoint a firm of consultants via the HCA’s Property Panel to provide commercial property advice in respect of land at Cross Lane, Radcliffe, Bury, M26 2PS known as the former East Lancs Paper Mill (“the Site”). Three panel firms have been invited to tender.</p> <p>This brief provides detail about the services required to deliver the project, and invites submissions in response to the scope of work and experience required.</p>
2. Objectives
<p>The objective of the commission is to accelerate the delivery of a comprehensive residential-led development of the Site.</p> <p>The HCA requires a significant proportion of outputs (housing starts and completions) to be achieved within the current Comprehensive Spending Review period (01 April 2016 – 31 March 2021) and therefore it is imperative that the commission is delivered at pace and recommendations take account of this requirement. In addition, the Clients need to ensure that they are achieving Best Consideration for the Site and the successful consultant should be cognisant of this when undertaking this commission.</p>
3. Background
<p>In 2008, the Council acquired the land shaded brown on the site plan attached at Appendix 1 from P&F Properties for the purpose of constructing a new secondary school. In July 2016, the HCA acquired the remainder of P&F Properties’ ownership (outlined in red on the site plan) as part of the Government’s Starter Homes Programme in order to bring it forward for residential development in conjunction with the Council’s land. The HCA and the Council are working together to facilitate the comprehensive redevelopment of this large site that has blighted the local community for a significant period of time.</p> <p>The Housing & Planning Act introduced the legislative principle of Starter Homes with the technical guidance that underpins the Act in respect of Starter Homes having recently been consulted upon. The consultation document can be found at: https://www.gov.uk/government/consultations/starter-homes-regulations-technical-consultation</p> <p>In principle, a Starter Home is a new home sold to a qualifying first time buyer aged between 23 and 40, for at least a 20% discount to market value, with a cap on the value of the property. The purchaser must live in the home for a minimum period to gain the full benefit of the discount, and if they move earlier, they will lose some or all of the discount.</p> <p>It is intended that the HCA enter into a conditional contract with a prospective purchaser by 31st December 2017 with the intention that works are started on site no later than 31 March 2019.</p> <p>It is a requirement of the HCA Starter Homes Programme that planning permission is obtained for all Starter Homes sites before marketing is commenced, with Starter Homes secured through the appropriate legal documentation.</p>
4. Site and Surroundings
<p>The Site extends to approximately 18.86 hectares of brownfield land and is located to the east of Radcliffe town centre and approximately 3 miles to the south of Bury town centre. It is bounded by Spring Lane to the north, Pollitt Street to the west, the River Irwell to the south and existing industrial premises to the east.</p>

The Site was formerly occupied by a large paper manufacturing facility which was demolished in 2005. A combined heat and power plant was also demolished. The site is predominantly vacant, however is partially occupied by the East Lancashire Paper Mill Cricket Club and Cocklestorm Fencing under occupational leases.

It should be noted that the HCA is currently considering acquiring additional interests for the benefit of the development and consequently the extent of this commission may vary.

5. Planning Policy Context

The Site has until recently, benefitted from *“hybrid outline application for mixed use development comprising B1, B2, B8, industry, residential development, water feature, open space and full application for secondary school and highway infrastructure”*. Details of original application (reference 45598) and the approved extension of time (reference 55901) can be found on Bury Council's public access system.

Following a review of school provision, it was determined by the Council that a new school was not required on the Site and consequently was not constructed. However, an application has recently been made to the Department for Education to locate a free school in Radcliffe – the Site along with two other Council-owned sites has been shortlisted as a suitable location. It is anticipated that a decision on the location of the free school will be made in September 2016.

The Site is identified in Bury Council's Strategic Housing Land Availability Assessment 2014 as capable of delivering 490 dwellings.

The Clients are in the process of procuring a multi-disciplinary team to prepare an outline planning application and all relevant technical documents for either:

1. Residential development incorporating a free school;
2. 100% residential development across the Site

The Client's requirements for the Site are as follows:

1. A scheme of appropriate density for the local area. This is anticipated to be family housing rather than apartments (although this will be informed by the soft market testing);
2. Starter Homes programme criteria compliant split of Open Market Sale housing (50%) and Starter Homes (50%)
3. Good quality design to contribute towards the creation of new sustainable communities – the Starter Homes Design Guide published by DCLG in March 2015 can be found at [https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/419212/150330 - Starter Homes Design FINAL bc lh pdf.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/419212/150330_-_Starter_Homes_Design_FINAL_bc_lh_pdf.pdf)

6. Scope of Work

The Clients require valuation and agency support to assist in the disposal of the Site which includes the following workstreams:

- **Workstream 1:** Prepare an initial market appraisal of the Site, advising of current market conditions, likely levels of interest and advice of potential value to be received by the Clients (assumptions to be provided by the Clients upon instruction), including intelligence of delivery timeframes;
- **Workstream 2:** Assist the Clients with soft market testing of the Site with members of the HCA's Delivery Partner Panel. This may include communication electronically and/or via telephone; face-to-face meeting; and/or site visit(s). The successful consultant will be expected to prepare a short report for the Clients outlining the findings of the exercise including (but not limited to):
 - likely market preference for scheme composition;
 - likely market preference for lot size/parcelisation;
 - likely market preference for method of disposal i.e. open market, Delivery Partner Panel, OJEU etc
 - likely market preference for legal structure i.e. building lease, freehold disposal etc;
 - financial and market implications of recommendations
- **Workstream 3:** Provide commercial input into the development of the masterplan (including financial appraisals of emerging options – for the purposes of bidding, tenderers should assume that six appraisals will be required) which will underpin the outline planning application for the Site.

This input will be informed by the consultant's knowledge and expertise as well as knowledge accumulated through the soft market testing exercise and is expected to cover unit types/mix/size and phasing/delivery by sole/multiple developers.

- **Workstream 4:** Provide agency service which may include input into legal and technical packs as required; input into tender documentation, tender process and interviews as required and provide a recommendation report; Negotiate draft heads of terms with the successful bidders
- **Workstream 5:** Provide Red Book or franking valuation report(s) as required.
- **Workstream 6:** Provide additional information and analysis as may be required in order for the Clients to seek relevant approvals;

The consultant will also be expected to attend meetings at key stages of the project with the Clients and third parties (as required).

Please note that the Client's must observe the legislation in relation to public procurement. Consequently, the consultants should be cognisant of this throughout the commission and make recommendations in accordance with the legislation.

7. Timescales

As set out below, the delivery of this commission within the proposed timescales will be highly challenging. Nonetheless, these are the timescales the Clients need to work to, so in scoring the submissions, additional marks will be gained depending on the speed at which a disposal can realistically be secured, but at least in line with the table below. As such, sufficient staff resource should be provided to ensure that these can be delivered.

The key milestones the HCA are aspiring to deliver against are:

Key delivery milestones	Anticipated completion date
Consultant appointed	End-September 2016
Soft market testing with DPP	October 2016
Submit outline planning permission	January 2017
Planning permission secured	May 2017
Marketing commenced	May 2017
Preferred developer approved	September 2017
Conditional legal agreement	December 2017
Reserved Matters application(s)	January – December 2018
Unconditional legal agreement	December 2018
Start on site	April 2019
Site completion	March 2022

An indicative programme must be provided by the consultants which should include:

- Inception meeting with Clients;
- Workshop/engagement with multi-disciplinary team;
- Preparation and provision of the initial market appraisal;
- Period of soft market testing and resultant report;
- Financial appraisal of emerging options;
- Marketing period;
- Negotiation of heads of terms;
- Conditional legal agreement;
- Unconditional legal agreement

8. Project Management & Structure of Commission

This instruction is made jointly by the HCA and Bury Council for work in relation to land under its ownership.

██████████ from the HCA's Manchester office will be the key point of contact:

██████████
Area Manager (Greater Manchester)
Homes and Communities Agency
Level 1A City Tower
Piccadilly Plaza
Manchester
M1 4BT

T: ██████████
M: ██████████
E: ████████████████████

Project meetings will be held when appropriate based upon progress within the project and decision making. Meetings will not be programmed in advance and there will be no reoccurring structure. Project meetings will include representation from Bury Council and technical meetings with specific Council officers and/or statutory consultees will be required. The successful party will be expected to work with the project team within the HCA but also with our local authority partner and all relevant statutory consultees.

9. Budget

The Panel consultants should set out a budget which will be appropriate to undertake the scope of work identified, reflecting the six workstreams identified in Section 6. 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.

10. Key Deliverables

The key deliverables are as follows:

- Production of an initial market appraisal report;
- Production of a summary report following soft market testing;
- Production of financial appraisals of emerging options;
- Production of a recommendations report following tender;
- Preparation of draft heads of terms

11. Response to ITT & Evaluation Criteria

Please limit your tender response as much as possible to pertinent information and justification, to include as a maximum:

1. **Method** – outline of how you will complete the work. Where tenderers intend to deviate from the scope provided this should be stated, justification provided and additional costs over and above those related to the existing scope of works made clear;
2. **Programme** – clearly stating how the commission will be delivered in accordance with the milestones in Section 7 for each application type;
3. **Track record** – examples of similar commissions;
4. **Staff CV's** – maximum one sheet of A4 per person; and,
5. **Costs (using HCA framework rates)** – broken down for each staff member to show fixed amounts for each stage of the project.

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 of work (Section 6) and the tender response (Appendix 2). Responses should be up to 10 A4 pages maximum plus CV's with illustrations where appropriate.

The submissions will be evaluated on a 70% price / 30% non-price matrix. Interviews are not proposed as part of the selection process but the Clients reserve the right to request interviews where clarifications are sought.

Within the mini tender return it is expected that the consultant shall propose a method statement of how

they intend to deliver the commission and highlight any other relevant issues. Emphasis will be placed on the Panel Consultant's ability to demonstrate relevant local experience on securing planning consents within a tight time constraint, for both public and private sector clients. CV's for all proposed staff will be required, with a maximum one sheet of A4 per person. The use of sub-consultants must be clearly identified.

The Clients reserve the right not to award this contract to any tenderer and not to award to the lowest price tenderer. The HCA may also only procure part of the works proposed.

12. Timetable for responding to ITT

The deadline for receipt of responses is 5pm on 23 September 2016 (4 weeks)

Tenders received after this time and date or with missing information will not be included within this mini-competition.

Responses are to be submitted via email to [REDACTED]

All eligible bids will be assessed using the evaluation framework in section 13.

13. Selection of Consultant

Tenders will be assessed as detailed below:

- Fee (70%)
- Experience, track record & staff expertise (10%)
- Method – technical merit and understanding of the brief, the method, approach and any added value (10%)
- Programme (10%)

Scoring Criteria – Quality

The consultants answer to each of the requirements / questions will be scored using the scoring principles below:

Score	Scoring Principles
0	Rejected - Evidence is unacceptable or non-existent, or there is a failure to properly address any issues.
1-4	Poor – The evidence is deficient in certain areas where the lack of detail or information requires the reviewer to make assumptions.
5-6	Satisfactory –The evidence is acceptable, but with some minor reservations.
7-8	Good – The standard of evidence meets expectations with some evidence provided.
9-10	Excellent – Comprehensively meet requirements with high quality and substantial amounts of evidence and information provided.

A scoring panel will give a score out of 10 as above for each of the requirements.

Scoring Criteria – Price

A spreadsheet format for this response would be ideal.

Based on the scope of this commission, the tenderer's price must cover and clearly articulate the following:

- People
- Tasks to be delivered
- Time
- Hourly rates (fully inclusive of daily expenses)

The lowest overall total price will receive a score of 70. The other totals will be scored in relation to how much more expensive their price is than the lowest price, e.g.

Worked example of how the submitted price will be used to calculate a score

Supplier A	Supplier A Form of Tender price	Lowest price as % of Supplier A price	Supplier A marks out of 70
	350	$350/350 = 100\%$	$100\% \text{ of } 70 = 70$
Supplier B	Supplier B Form of Tender price	Lowest price as % of Supplier B price	Supplier B marks out of 70
	700	$350/700 = 50\%$	$50\% \text{ of } 70 = 35$

Owing to the nature of the selection process, the decision of the HCA is final. No subsequent correspondence will be entered into, although HCA will seek to offer suitable constructive feedback to unsuccessful parties. Agreement to these is a pre-condition of entry to the tender process. There will be a contract for the selected consultant based on the terms and conditions each has already accepted for appointment to the HCA Panel.

14. Background Documents/ Supporting Information

An extensive amount of information has been provided to the HCA by P&F Properties, all of which can be made available to the successful consultant. A large amount of information is also available via Bury Council's public access planning site.

15. Ownership of Outputs

All data produced as a result of this commission will remain in the ownership of the HCA and Bury Council once the commission is finished. Collateral warranties, where required, are to be provided to the HCA and the Council separately at no additional cost and may be called for for the benefit of 3rd party developers. All collateral warranties should be capable of being assigned on a minimum of two occasions.

16. Follow on Work

It may prove necessary to re-engage the appointed company to undertake further work beyond this direct commission via a possible extension period. Any such follow on work will be the subject of a separate agreement or renegotiation of the existing terms in compliance with the HCA's procurement policy.

17. Termination

Should performance during the period of this appointment prove unsatisfactory the HCA will exercise its right under the Panel Appointment of Consultant Guidance 2010 to give notice to terminate the arrangement without giving reasons with immediate effect.

18. Confidentiality

All information supplied by the Homes and Communities Agency and Bury Council in connection with this Invitation to Tender shall be treated as confidential by prospective tenderers and shall not be revealed at any time to any person (including any Organisation) except for the purposes of the preparation and

submission of this tender or the performance of any contract entered into by the Homes and Communities Agency or Bury Council pursuant to any such tender.

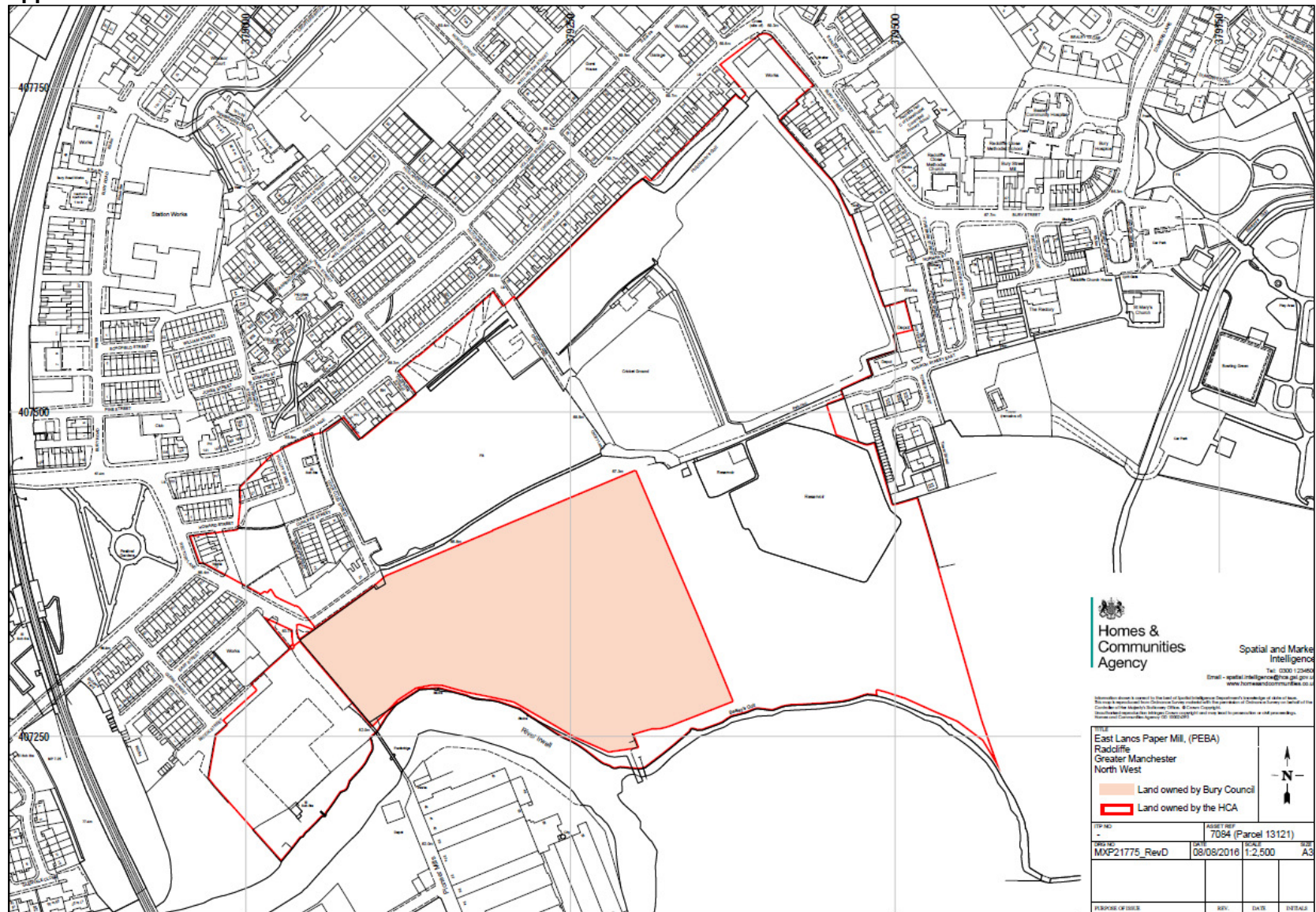
Copyright in the documents comprising the Contract is vested in the Homes and Communities Agency and Bury Council but Tenderers may obtain, or make at their expense, any further copies required for use by them in the preparation of their tender submission and in performing the Contract.

The Clients require a clear understanding that there are no conflicts of interest in representing them on this project. If there is any likelihood of potential conflicts of interest then this needs to be disclosed, and the steps to mitigate or eliminate the conflict should be explained.

19. Transparency

This procurement and award is subject to the transparency arrangements being adopted by the UK Government. These arrangements include the publication of tender documentation issued by the HCA and the contract between the HCA and supplier. Bidders should highlight any areas they consider commercially sensitive in order for the HCA to be able to honour our transparency obligations without undermining the bidders' commercial interests.

Appendix 1 – Site Plan



Appendix 2

Response to invitation to participate in a mini competition

Panel:	Property Panel OJEU REF: 2013/S 235-408288
Project Name:	Former East Lancs Paper Mill, Cross Lane, Radcliffe, Bury, M26 2PS
To:	██████████, Area Manager, NW Operating Area
From:	<Name of contact>, <Job Title>, <Company>
Date:	
Deadline:	5pm on 23 September 2016

Proposal
<ul style="list-style-type: none">• <i>Brief statement to explain how the commission will be undertaken</i>• <i>Schedule of services to be delivered</i>• <i>Information on other consultant input that may be required</i>• <i>Identification of other information that may be required</i>• <i>Other commentary on the brief</i>
Proposed Staff
<ul style="list-style-type: none">• <i>Who will undertake the commission?</i>• <i>Identify members of staff</i>• <i>How much time will they devote to it?</i>• <i>Complete Resource Schedule at Appendix 3</i>
Management Arrangements
<ul style="list-style-type: none">• <i>How will the commission be managed?</i>• <i>Who will be responsible for reporting to the Clients?</i>• <i>Who will manage the team?</i>
Timescale
<ul style="list-style-type: none">• <i>When will the commission be complete?</i>• <i>When will key milestones be complete?</i>• <i>What is the programme of works?</i>• <i>Are any programme dates we have given achievable?</i>
Fee Proposal
<ul style="list-style-type: none">• <i>Lump sum fee for completing the commission</i><ul style="list-style-type: none">○ <i>Workstream 1</i>○ <i>Workstream 2</i>○ <i>Workstream 3</i>○ <i>Workstream 4</i>○ <i>Workstream 5</i>○ <i>Workstream 6</i>

Appendix 3: Resource Schedule

[illegible]