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# Invitation to Tender Guidance Document Daedalus Waterfront, Lee-on-the-Solent, Hampshire

Submission Deadline: 20<sup>th</sup> January 2021

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# Development of Homes England Land: Daedalus Waterfront, Lee-on-the-Solent, Hampshire



## Section 1: Introduction

This Invitation to Tender (ITT) has been prepared to provide guidance and information to interested bidders in respect of Homes England's Daedalus Waterfront site, located within the Solent Enterprise Zone at Daedalus, Lee-on-the-Solent (referred to throughout this Invitation to Tender (ITT) as Daedalus Waterfront).

It is Home's England's intention to appoint a single preferred development partner for this opportunity, following the evaluation of tenders realised from this ITT process. The preference for Homes England is to secure the comprehensive redevelopment of the site through a single developer. This would enable a single coordinated approach to development of the overall scheme including vision, planning, infrastructure provision and programme. Approaches by consortiums would be acceptable as a means of achieving comprehensive redevelopment of the site.

Homes England has issued a brochure and Expression of Interest document to support the marketing of the site and to inform Homes England of the likely interest at ITT stage and to tailor the approach accordingly. The brochure and Expression of Interest should be read alongside this ITT albeit this ITT takes precedence.

Once you have read the information provided in this ITT, and reviewed the supporting technical pack that accompanies this opportunity, you are invited to respond in accordance with Section 10: Tender Submission Guide to outline the terms of your offer.

The ITT process is being managed on Homes England's behalf by Avison Young. All queries should be directed through them via the contact details provided later in this document.

## Section 2: The Site

Key points of note concerning the site / project are detailed below:

- Red line: Homes England is seeking to dispose of the whole of its uncontracted ownership in Daedalus Waterfront. This includes the car park to the south of the site and roads (including Daedalus Drive). There is some further ancillary land ownership shown in the plan below (the adopted road to the rear of Marine Parade) which may be included to complete a clean exit but will be at both parties discretion. The interest from Fareham Borough Council (on land adjacent to the Control Tower) and Marine Concepts (on the Overlord Plot) is currently excluded. However if these disposals do not progress, these two parcels land may be brought back in to this disposal. The site excludes the Dunning Hangar plot of 1.6 hectares which is subject to a building lease with MonsterCAM (anticipated to become 999 yr long lease or freehold on completion of the refurbishment works by 2021).
  - The Overlord Plot is 0.8 hectares where terms are agreed for building lease for demolition of the existing hangar and replacement with new HQ factory on site. A red line plan is provided in the plans section.
  - The Fareham Borough Council plot is the sale of c.1.6 hectares plot which is being offered to Fareham Borough Council as a straight freehold sale to support aviation use associated with Solent Airport and the control tower. The exact extent of the agreed area will be circulated to bidders but if terms cannot be agreed with Fareham Borough Council within the tender period, bidders will be notified and the plot will be included in the disposal. The contact for Fareham Borough Council and Solent Airport would be Grant Hobday, Head of Property, email [GHobday@Fareham.Gov.UK](mailto:GHobday@Fareham.Gov.UK), tel 01329824320/07584 460914.



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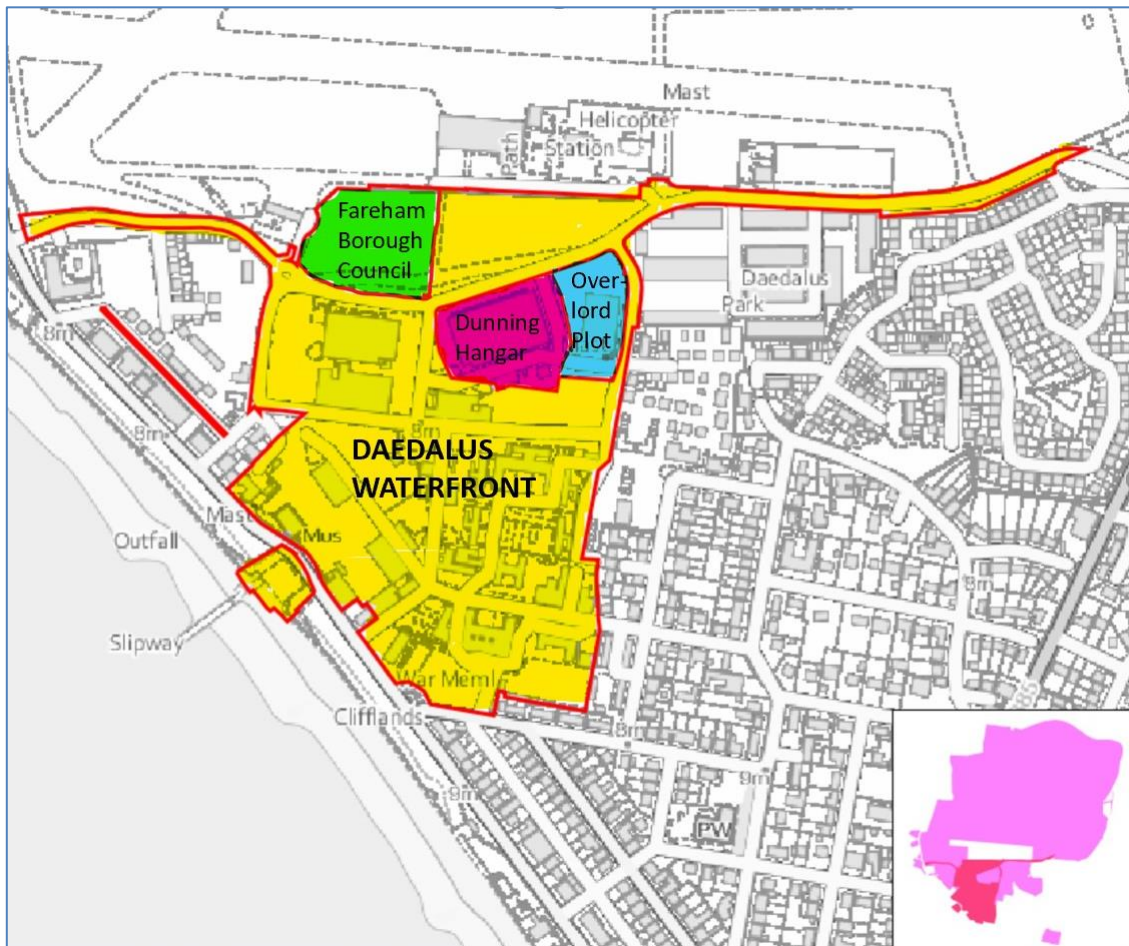


Figure 1

- **Parcels:** As stated Homes England is seeking offers for the whole of the site. The Expression of Interest stage has indicated there is sufficient interest from developers to deliver the whole site in a comprehensive manner. The main interest expressed in the parcels will be shared with bidders for the whole site where that is appropriate and agreed.
- **Phasing:** It is anticipated that the development will come forward and be contracted in phases. Homes England would encourage a phasing approach where early wins on delivering employment space or to meet other immediate demand can be brought forward while details including planning are finalised for the mixed use element. Phasing will also need to demonstrate that valuable elements are matched with liabilities for cross subsidy.
- **Size:** The site equates to 18.5 hectares (inclusive of the Fareham Borough Council and Marine Concepts Overlord but exclusive of Dunning Hangar, plots referred to above) or 16.1 hectares exclusive of Fareham Borough Council and Overlord plots.
- **Previous use:** Originally conceived as a spa town, the site then became the former royal naval site HMS Daedalus. Initially the MoD used the site as a seaplane base and subsequently expanded it as an airfield.
- **Access:** The main site access is via the junction with Broom Way (B3385). The junction with Stubbington Lane at the west end is temporarily blocked in anticipation of adoption of the whole of Daedalus Drive at which point it is ready for opening up.

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- Planning status and details: Daedalus Waterfront has outline planning approval (11/00282/OUT) and is the focus of Daedalus Supplementary Planning Document September 2011. Daedalus Village and the infrastructure have been delivered under reserved matters. It is important to recognise the focus on employment uses for the whole of Daedalus which is reflected in its status as an Enterprise Zone.
- Locality to local towns, urban centres: The site is between Lee-on-the-Solent to the east and Stubbington and Hillhead to the west. Fareham and Gosport town centres are 4 and 5 miles away respectively, while Portsmouth is 12 miles and Southampton 15 miles away by car.
- Locality to key infrastructure: The site has Solent Airport to the north and access to the Solent via a slipway to the south. The M27 Junction 11 is four miles away via Newgate Lane which has recently been upgraded, while access to the west at Junction 9 is 7 miles away and subject to a new Stubbington bypass which is currently under construction and will have a considerably beneficial impact on road access to the M27. The site benefits from superfast broadband infrastructure.

Please refer to the brochure for further detail.

The aerial imagery can be found here:

<https://kuula.co/share/collection/7lkBM?fs=1&vr=1&thumbs=1&chromeless=1&logo=-1>

## Section 3: Opportunities and Constraints

The brochure identifies some of the key characteristics and unique opportunities of Daedalus Waterfront. This Invitation to Tender should be read in conjunction with the brochure and the following paragraphs provide further information to consider in formulating ideas for development.

### Infrastructure

Homes England has serviced the site with utilities of sufficient capacity to serve the anticipated development (based on the outline planning approval). Services and estate roads have been provided in and to the north of Implacable Road.

Services, estate roads and access points will need to be provided to the south of Implacable Road. The successful parties will be expected to provide their own necessary extensions to this existing infrastructure.

This additional infrastructure (Phase 2) has been estimated and costed by Campbell Reith in 2017. This information covers roads, utilities, ecology and remediation. This information is provided in the dataroom as an indicative starting point for bidders.

### Heritage

Daedalus Waterfront is the core area within Daedalus where development, both before and during the Ministry of Defence use, was concentrated. As a result it benefits from a number of buildings and street layouts that reflect its history and provide a framework for creating a sense of place with true character. This is reflected in being designated its own conservation area, having 6 listed buildings and a further 13 buildings identified by the local planning authority as priorities to be retained and reused. Reports

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undertaken on behalf of Gosport Borough Council are available covering measured surveys and condition reports. In addition Gosport Borough Council have also agreed to the sharing of the Radley Partnership report on the scope to convert the Wardroom for residential use. For the avoidance of doubt, these surveys and reports are not currently being provided with warranties.

### **Hovercraft Museum and Hovertravel**

The Hovercraft Museum is located within Seaplane Square. It is unique in its focus on hovercraft but also covers the history of the Daedalus site. It opens on Saturdays. Linked to the Hovercraft Museum has been Hovertravel's occasional use of the car park for leisure trips to the Isle of Wight. The existing S106 agreement does provide for the offer of a short term lease and subsequent offer of a long term location for the Hovercraft Museum's ongoing presence at Daedalus. While the S106 Agreement may not obligate its ongoing presence on the site, it is clearly a local community asset reflecting the heritage of the site and every effort should be made to retain it in some form. The contact at the Hovercraft Museum is Alex Wheeler (alex.wheeler@hovercraft-museum.org).

Homes England owns the cross channel hovercraft SRN4 Princess Anne and has leased it to the Hovercraft Museum. It is intended to transfer ownership of the SRN 4 Princess Anne to the Hovercraft Museum when the lease comes to an end.

### **Car Park**

The car park to the south of the site is included within the disposal. The extent of ownership is to the high water mark. The car park provides access to the slipway which was leased and used by the MoD with the freehold owned by the Crown Estate. The car park has been popular with leisure users such as jet ski operators for access to the slipway. The car park was closed as part of the covid 19 restrictions and remains closed.

### **Existing Tenancies**

There are approximately 14 tenants currently occupying premises on the site. All are under tenancies at will save for Swann Hangar which is currently let under an FRI lease to Marine Concepts and Wates site compound which is also a lease. The lease of Swann Hangar is to January 2021 and discussions are underway to extend the lease a further 2 years. The current rent roll is c£260,000/annum.

### **Ongoing Estate Management**

The proposed contractual structure assumes Homes England retains responsibility for estate management matters until freehold phases are drawn down. Homes England has recently undertaken a Planned Maintenance review of the buildings at Daedalus and will continue to undertake these health and safety works while the responsibility remains with Homes England. The Building Condition reports and schedule of works are provided in the dataroom.

### **Nitrogen Mitigation**

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Natural England are currently advising local planning authorities that all developments creating additional overnight stays, including residential development, have the potential to adversely impact European designated sites in the Solent due to additional nutrients. The recommendation to resolve this, is to achieve nitrogen neutrality for developments. Homes England is doing this on several of its development sites in the Solent including Wates redevelopment at Daedalus of 20 new homes. The principle has been accepted by Natural England and Gosport Borough Council that taking Homes England land out of agricultural production at Knowle, Fareham, creates nitrogen credits for redevelopment at Daedalus. The remaining capacity at Knowle is sufficient for just over 100 new homes based on the current Natural England guidance.

A longer term solution is being devised by local planning authorities in the affected areas with the proactive acquisition of land for mitigation and onward sale of nitrogen credits to developers. This is being coordinated from Partnership for South Hampshire and supported by LEP funding. Gosport Borough Council is best placed to advise on this.

### Technical Reports and Plans

Technical reports are being shared where available. This includes a report on title as well as a variety of technical reports. The site has been subject to several phases of investigation and hence a significant amount of data is being made available. Key documents elements include:

#### Utilities

**Foul:** The new foul system has been designed to accommodate the whole site through a gravity drained system to the new pumping station to the east of the control tower. From there it is pumped across the airfield in a rising main to Southern Water's pumping station at Gosport Road. A S104 agreement for the adoption of the system has been agreed but is held up pending an easement to be granted to Southern Water from Fareham Borough Council. See Campbell Reith's report 12575\_Daedalus Waterfront Phase 2 - Utilities F1 and Natta as built drawings. Daedalus Park also now drains into this system.

**Surface Water:** The surface water system has been upgraded to provide highways and plot drainage with two outfalls into the Solent, one to the west and one to the east of the slipway. The one that drains to the east is subject to a S104 agreement which has been agreed but is subject to Southern Water and Crown Estate agreeing the lease of outfall. Adoption of the surface water sewer to the west is similarly held up by the need for a lease between Southern Water and Crown Estate. See Campbell Reith's report 12575\_Daedalus Waterfront Phase 2 - Utilities F1 and Natta as built drawings.

**Electricity:** 4.7 mVa has been reserved for Daedalus Waterfront. Four 1 mVa substations have been installed in strategic locations which currently serve Daedalus Village, Phase B of Daedalus Park and existing occupiers, but they are not at full capacity. See Campbell Reith's report 12575\_Daedalus Waterfront Phase 2 - Utilities F1 and Natta as built drawings.

**Gas:** A new gas governor has been installed off Drake road with low pressure system distribution through the new estate roads. See Natta as built drawings. See Campbell Reith's report 12575\_Daedalus Waterfront Phase 2 - Utilities F1 and Natta as built drawings.



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Potable water: An adopted Portsmouth Water system has been provided through the new estate roads with two meters supplying the private network to existing users. See Campbell Reith's report 12575\_Daedalus Waterfront Phase 2 - Utilities F1 and Natta as built drawings.

Telecoms: Ducting has been provided within the new estate roads. See Campbell Reith's report 12575\_Daedalus Waterfront Phase 2 - Utilities F1 and Natta as built drawings.

Ground Conditions: Extensive site investigations have been undertaken across the site. This has identified localised contamination hotspots as would be expected for a brownfield site of this nature. The Land Quality Statement 2014 is the most comprehensive document. Further ground investigations were provided for the two residential plots (Daedalus Village) which are provided for information.

Additional radiation surveys were undertaken as part of the infrastructure works. There is one known hotspot which is to the immediate west of Dunning Hangar.

Remediation of the groundwater contamination has been completed in 2016/17 by Celtic Englobe as Homes England's contractor. The validation report is provided in the dataroom.

Unexploded Ordnance: UXO is a risk given the historic uses of the site. A technical note is provided.

Archaeology: Archaeological Evaluation Report by Wessex Archaeology is provided for Daedalus including Daedalus Waterfront.

### **Highways:**

Daedalus Drive was constructed by Hampshire County Council apart from the final connection to the west at Ross House Junction. Hampshire County Council, Homes England and Fareham Borough Council (who own the eastern most stretch) are pursuing the adoption of the road. The draft S38 Agreement is included.

Ross House Junction was completed by Homes England as part of the infrastructure works by Natta. This has been adopted.

The adoption of the new estate roads that were constructed by Natta is subject to a S38 Agreement. Part 1 certificate should be issued once Wates have completed the elements currently impacted by the residential development. It is anticipated this will happen early in 2021. The S38 Agreement and Natta as built drawings are provided. The site line easements should be noted.

### **Ecology**

A variety of studies have been undertaken to secure the outline planning permission and subsequent reserved matters. It is anticipated a new suite of surveys will be required to be undertaken by the selected developer in accordance with proposed developments and their timing. Campbell Reith's Ecology Phase 2 report can be found in the dataroom as a useful starting point.

### **Topographical Survey**

A topographical survey is provided in dwg format which combines the original survey from 2014 with updates in 2020 for areas that have changed.

## Section 4: Further Information

The technical pack, including documents referenced above, is provided in a dataroom which is managed by Avison Young. Please contact them for access.

Homes England and Avison Young propose to host a mid-tender review with each of the bidders via Microsoft Teams. It is at the discretion of the bidders whether they wish to attend but is an opportunity to be clear about expectations in line with this ITT, review initial proposals and make sure progress is being made smoothly in preparation of schemes and bids. Please contact Avison Young to book individual slots currently for 26<sup>th</sup> November. Alternative days can be arranged but availability can-not be guaranteed.

Site access can be arranged through Homes England's on site contractor, South Coast Maintenance. Access is at the discretion of Homes England and subject to completion of any access forms and compliance with site rules. Please liaise with Avison Young initially.

Homes England is in close discussions with Gosport Borough Council's planning department. We would encourage bidders to actively engage with Gosport Borough Council to ensure bids have the greatest chance of success in achieving planning approval which is one of the core evaluation criteria. Rob Harper (Conservation and Design Manager), Jayson Grygiel (Manager of Planning Policy) and Debbie Gore (Head of Planning & Regeneration & Assistant to the Chief Executive) are all part of the liaison team with Rob Harper (robert.harper@gosport.gov.uk) the lead for contact by bidders.

Any queries are welcomed and clarifications will be provided where possible. Queries and responses will be shared with all bidders. Where a bidder wishes to keep its query confidential because it is commercially sensitive, it must state this up front and Homes England will consider whether it is bid specific or should be shared with other bidders. If the latter, Homes England will seek agreement with the bidder who raised the query to either not respond or to share with all bidders.

## Section 5: Terms of Offer & Contracting

Homes England's standard approach for development of strategically important sites is to have conditional contracts. These conditions cover agreement of approved plans, demonstration that the developer has sufficient resources to deliver the scheme, planning approval, simultaneous entering into build contracts and compliance with obligations.

It is Homes England's preference to receive offers submitted without any other conditions. Where additional conditions are required by the interested party to be able to provide an offer, it will need to provide a timescale for concluding these conditions generally before contracting. Homes England will assess the risk associated with these conditions and reserves the right to adjust the price accordingly.

Once conditions are satisfied then phased draw down can occur. The conditionality of the contract and ability to draw down land in phased contracts will be dependent on the bidder's approach to phasing of the development.

Homes England has a standard overage approach where overage will be applied where sales exceed the tendered GDV for each phase. Overage is calculated based on any increase in Gross Development Value less the increase in Gross Development Cost (as at tender stage updated by BCIS General Building Cost index). 50% of overage is payable to Homes England at the end of each phase. It is acknowledged that setting the GDV at bid submission stage which fixes the overage threshold may be difficult. Proposals are requested from bidders how these principles can be applied on a bid specific basis.

Planning clawback (planning overage/windfall) will be applied where planning approval is secured for a scheme that either was not in line with the original density or the use of the proposed scheme. The increase in value will be determined by assessment of the change in market value over the original proposition and a minimum 50% of the increase in value will be payable to Homes England. It should be noted that revisions to the tendered scheme requires Homes England's approval. Such approval will include the assessment of additional land value that would be payable.

The conditional sale will require the developer to pay a 10% deposit upon exchange of the agreement. The agreement will define both the conditions that must be discharged and a long stop date by which the developer must discharge these conditions. The Condition Longstop Date is proposed to be December 2022.

If the developer can evidence that they have taken all action within their control to discharge the conditions set out in the conditional agreement – however matters outside their influence have resulted in the conditions not being discharged by the longstop date, then the deposit will be refundable. By contrast, if the developer does not use their reasonable endeavours to discharge the conditions set out in the conditional agreement by the longstop date, then the deposit will not be refunded.

Upon discharge of the conditions, the developer will complete the acquisition of the first phase. Conditions and contract draw down may be on a phased basis. Homes England will have a buy back option for land not developed within a five year period. Subsequent phases will be able to be drawn down on completion of a certain percentage of the previous phase.

Further detail can be found in the Heads of Terms and draft contracts.

## Section 6: Homes England Objectives

Homes England's objectives from this disposal exercise are as follows:

- Secure the comprehensive redevelopment of the site.
- Make the most of heritage and location of the site to achieve a vibrant and welcoming place for businesses, residents and the wider community.
- Secure interest from developers and employers to create employment opportunities for the local community in accordance with its Enterprise Zone status.
- Bring heritage buildings back into sustainable use that can be realistically and viably be delivered with a specific focus on the listed buildings.
- Deliver value for money - Homes England as a government agency may not dispose of land at less than the best consideration that can reasonably be obtained, without Secretary of State approval.

- Clean exit: Homes England is seeking a clear route to pass on all its responsibilities associated with the site.

## Section 7: Developer Responsibilities

The following section sets out the services that Home England's selected development partner would be required to perform.

- To work up and achieve planning approval(s), the basis of which must be consistent with the scheme tendered to Homes England as part of this ITT, and are in line with current planning policy and/or supported/supportable by the local planning authority.
- To deliver a comprehensive scheme in line with the tendered scheme and subsequent planning approvals. It is acknowledged that the scheme may be refined and evolve subject to market conditions and LPA input but any variation will need to be approved by Homes England and should be consistent with the original tendered scheme.
- To devise a phased approach which ensures the less viable elements are delivered alongside more valuable elements. In particular there should be a clear and deliverable strategy for the more challenging heritage and listed buildings and they should not be left until the end of the development programme.
- To pay the agreed land value premium for each phase in full as each phase is drawn down.
- To discharge all conditions in the shortest timeframe possible – and by an absolute longstop date as set out in the conditional sale agreement.
- To secure all necessary planning consents, listed building consents, building regulation and all other statutory approvals in respect of their scheme – and discharge all associated conditions that might be applied to these consents.
- To discharge payment of the scheme's agreed S106 cost, CIL and other planning related costs.
- Pay all SDLT costs owed in accordance with HMRC requirements. It should be noted that the site is Opted to Tax – meaning VAT is payable against the purchase price tendered.
- Raise the level of finance required to cover the scheme's peak funding requirement – and arrange any credit lines that may be needed to meet cost overruns / cash flow shortfalls.
- The scheme should deliver affordable housing at policy compliant levels (40% regardless of vacant building credit or other means of reducing affordable housing quantum), and the developer must identify and work with an RP partner to take on responsibility for these tenures. Any deviation from this must be explicitly stated with a clear rationale and Homes England reserves the right to reject such a proposition.

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- Upon draw down of the unconditional contract, coordinate effective management of the site (or phase as appropriate) and discharge all statutory health and safety duties and meeting Homes England policy requirements in respect of health and safety accreditation for contractors.
- Arrange the delivery and management of all construction activities across the site in compliance with the terms of the planning approval.
- Secure all appropriate warranty accreditations for completed buildings such as to ensure they are insurable / mortgageable.
- Manage all marketing and sales across the site.
- Carry out snagging activities and provide all appropriate maintenance and aftercare services to buyers.
- Agree and complete adoption agreements with the local authority/utility providers in respect of key infrastructure within the development and with the local authority or a nominated management company in respect of the scheme's public open spaces
- Comply with any duties / services required of the developer under the terms of the warranty agreements provided to buyers.
- Refrain from including ground rents as part of their sales / revenue strategy for the scheme (unless where demonstrated as absolutely necessary in connection with flatted accommodation).
- Coordinate development works in conjunction with activities within the wider land ownership, keeping roads and services open for existing users.
- Provide a clean exit for Homes England from the site removing any ongoing liabilities for Homes England.
- Provide a clear estate management plan for the ongoing upkeep of the estate for elements not passed to occupiers or adopted by statutory authorities.

## Section 8: Phasing and Programme

It is anticipated that the development of Daedalus Waterfront will be delivered in phases. Each phase would be drawn down as a separate freehold transfer. As a result, the price offered for each phase must achieve best consideration in its own right.

Phasing must avoid cherry picking the most valuable elements at the start. Homes England does not want to be prescriptive but would expect the following principles to be followed (see below plan for parcel names):



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- Airport Park North and Airport Park: Stand alone employment development that can come forward as larger phases for speculative development or smaller plots for owner occupier development. Plots could come forward as early wins with own planning approvals.
- Barracks Square: Assumed to be single phase but the first phase or single phase must include refurbishment of the listed Mess Hall/Dining Room.
- Wardroom/Westcliffe Plot: The first phase of this must include the listed Wardroom. Any development of land to the west of the Wardroom must include Westcliffe House if not already included within the first Wardroom phase.
- Seaplane Square: A comprehensive scheme must be deliverable. Phasing will need to demonstrate how high value elements will be reinvested to create a high quality place within Seaplane Square.
- Triangle Plot: Any value generating use must be linked to enabling development of less viable elements. It's development would not be expected to come forward in advance of Wardroom/Westcliffe or Barracks Square phases without a very clear rationale that supports the wider development.

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The bidder's programme should demonstrate how planning strategy (assumed to be new outline planning approval with reserved matters/full approval for the first phase) will be delivered by December 2022. All subsequent phases will need to be drawn down by 2030 at the latest.

An indicative programme is shown below:

- |                                    |  |
|------------------------------------|--|
| • 3 <sup>rd</sup> July 20:         | Launch of Marketing  |
| • 7 <sup>th</sup> August 20:       | Receipt of Expressions of Interest                               |
| • 30 <sup>th</sup> October 20:     | Release of Invitation to Tender                                  |
| • 26/27 <sup>th</sup> November 20: | Mid tender meetings  |
| • 20 <sup>th</sup> January 21:     | Return of ITT  |
| • February 21:                     | Clarification meetings and evaluation                            |
| • March 21:                        | Homes England Board approval                                     |
| • April 21:                        | Notification of preferred bidder                                 |
| • July 21:                         | Exchange contracts   |
| • By December 22 :                 | Longstop for condition satisfaction and draw down of first phase |
| • By 2030:                         | Freehold draw down of final phase                                |

Please note that if contracting is delayed beyond the 3 month period from notification of preferred bidder, Homes England reserves the right to contract with the second placed bidder.

## Section 9: Design Guidance

In addition to those objectives outlined above, Homes England wants bidders to demonstrate high standards of design quality across their tendered schemes.

Homes England's preferred method of measuring good design is based upon the Building for a Healthy Life 12 toolkit (or its successor). The following narrative is provided as a source of guidance for bidders regarding the Building for a Healthy Life 12 related design principles and influences that the Agency would like to see incorporated into bidder proposals. It is acknowledged that Building for Healthy Life is targeted at residential developments but the principles are applicable for mixed use scheme.

Site specific guidance can also be found in Daedalus Conservation Area Appraisal, Daedalus SPD, outline planning application Design and Access Statement and LDA's Airport Park Design Guidance.

### Creating Attractive & Resilient Places

Tendered schemes should adopt an inclusive and sustainable vision which demonstrates how they will meet local housing need and contribute to the character and quality of the local area.

The scheme should be locally or otherwise distinctive and be developed at the appropriate scale to include active frontages onto streets and open spaces in order to create a positive and animated public realm.

The scheme should include appropriate placement of potential infrastructure, such as pumping stations, sub-stations and sales outlets, in order to complement the overall design layout.

### Character

Tendered proposals should aim to create places which strike a balance between being distinctive yet draw on the character of their surroundings.

The scale and design of proposed buildings should be approached in a balanced, holistic way, ensuring that the visual impact of the development enhances its context and surroundings. The development should seek to integrate built form and townscape characteristics drawn from the local area.

### Development mix

Proposals should link different uses, tenures and parcels on the site to create a coherent overall scheme.

### Access

Proposals should show vehicular accesses into the site in accordance with the outline planning approval, with any proposed pedestrian / cycle connections being clearly marked as part of your layout proposals.

### Street and Parking

Your scheme should show access routes through the development which should permit legible pedestrian and cycle movement, as well as vehicular, and aim to create a clear street hierarchy to guide all road users. The internal road network should be designed to adoptable standards without compromising a high-quality layout.

Parking provision should be delivered in a variety of configurations, which are always sensitive to the needs and convenience of occupiers.

### Density

Consideration should be given to suitable development densities, mindful of site coverage, but appropriate to the site context. Density should be the product of a design, not the driver.

### Promoting sustainable lifestyles

Creating a sustainable and inclusive development is a fundamental part of what Homes England wants to achieve across the site. Through improved pedestrian and cycle connections and paths, we want to encourage alternative, sustainable modes of movement and reduce car dependency for local journeys.

### Green/ blue infrastructure and biodiversity

Tendered proposals should seek to maintain or enhance the framework of open spaces across the site by retaining features of value wherever possible.

The placemaking approach applied in your scheme should seek to embed a sense of connectivity with the surrounding landscape and create open space that combines uses and has the potential to bring communities together and boost health and well-being.

Landscaping design approaches should detail the ways in which spaces can be used whilst being sensitive to biodiversity and heritage considerations.

### Purpose of Open Space / Play Space and its Management

Consideration should be given to the purposefulness of the open space and play spaces, together with its long-term management. Every element of open space should aim to contribute positively to the scheme. Successful open spaces frequently combine more than one use and are multi-purpose.

Your proposals should seek to design out all forms of incidental open space – which are often poorly maintained and can become unsightly. There should also be good delineation between the curtilages of properties and open spaces/ public realm in order that there is clarity over who should be responsible for managing all spaces within the development.

### Biodiversity

Where possible, schemes should aim to enhance biodiversity through new habitat creation – which will serve to benefit both the development itself and the existing local landscape.

## Water

Proposals should seek to manage surface water drainage in a sustainable and ecologically beneficial way, where possible through Sustainable Drainage Systems (SuDS). These can be delivered in a variety of ways (subject to local planning authority approvals), with suitable proposals being reflected in your tendered scheme.

## Commitment to Design Quality

Tendered proposals should achieve high quality design, taking full account of the site's opportunities and constraints in order to create a distinctive environment.

The proposals should identify a planning and design strategy for the site, including an approach to engagement – comprising, amongst other things, the consultant team and programme setting out the key milestones to application submission.

Design quality must be maintained from tender through to delivery on site. Alongside Building for a Healthy Life 12 (or its successor), proposals must demonstrate evidence of other measures taken to improve and ensure the quality of design.

If, in the opinion of Homes England, there is a discernible drop in the design quality between the tendered scheme and the subsequent planning application pack, which will be submitted by the preferred bidder to Homes England for approval, then Homes England reserves the right to require the planning application pack be **referred for Design Review** at the cost of the preferred bidder (capped at £3,000). This is to ensure that, where possible, the quality of design does not fall below the standards proposed at tender stage.

## Section 10: Tender Submission Guide

For a tender submission to qualify as being compliant, bidders must submit the following suite of information for the whole scheme and, where appropriate, for each proposed phase of development:

1. **Tender Forms:** Tender Forms 6 (Legal Clarifications), 7 (Conditions), 8 (Financial Offer) and 9 (Overage)
2. **Plans:**
  - **Plan 1:** A constraints and opportunities plan – with embedded commentary / photos to illustrate the nature of the opportunities / constraints identified. This plan should be provided at 1:1000 scale.
  - **Plan 2:** A layout plan which shows the distribution of development across the site marked by tenure and type/use – and with a corresponding schedule of accommodation. This should be provided for the whole site with further detail provided on a phase by phase basis as appropriate.

The same plan should be used to highlight your car parking layout for the scheme, showing the location of car parking facilities across the development that will serve occupiers and those that will



serve visitors – and with an embedded schedule summarising the number of private and public visitor car parking spaces to be accommodated. This plan should be provided at 1:1000 scale.

- **Plan 3:** A street hierarchy plan (i.e. primary, secondary and tertiary streets), which also clearly shows the development's different means of access (vehicular, emergency vehicle, cycle and pedestrian). This plan should be provided at 1:1000 scale.
  - **Plan 4:** A landscape masterplan capturing the layout and specification details of your proposed public open space / public realm proposals. This plan should include embedded details (text and images) of existing landscape features that will be retained, examples of the proposed street furniture and play facilities you are proposing (if applicable), details of any bio-diversity features you propose to include as part of your scheme and the materials you propose to use across your public realm / public open space. This plan should be provided at a 1:1000 scale.
  - **Plan 5:** A plan of your scheme with 3 types of shading – the first to reflect privately owned spaces, the second to reflect space that is to be vested with a management company and the third to reflect land that will be adopted by the local authority. This plan should be provided at a 1:1000 scale
3. **Commercial Approach:** See Evaluation Scoring Guidance
  4. **Design Assessment:** See Evaluation Scoring Guidance
  5. **Planning:** See Evaluation Scoring Guidance
  6. **Management:** Bidders must provide details of the proposed estate management arrangements (and associated costs) of the long term management of all non-saleable elements of the site.
  7. **Programme:** Programme covering the entire life time of the project to be provided in Gantt format. An associated phasing plan with the master programme showing each phase of development and interrelationship alongside description of how phases will be brought forward. Note that the phasing plan will form part of the contract and contractual timescales will be set based on the programme provided.
  8. **Viability:** A development appraisal for each phase demonstrating sums which are consistent with the costs, values and land value, as set out in the Commercial Approach. This should be included in excel format.
  9. **Risk management:** A risk register identifying:
    - The bidder's opinion of all the key risks / constraints associated with the project
    - The likelihood of the risk occurring
    - The likely impact of the risk
    - How the risk will be mitigated
    - A summary of the costs (if any) you have allocated to mitigation of the risk and whether these costs are accounted for as contingencies which have been netted off your land value offerThis is to demonstrate the bidders understanding of and response to the key challenges for the site.

10. **Resources and Expertise: Evidence of your past track record for delivery and examples of schemes of an equivalent / larger scale that you have developed.** Specifically, please provide a short narrative on the history of your organisation, the overall scale of development your organisation has been responsible for delivering, the expertise and experience of your project delivery team and case studies of your previous developments.
11. **Cash Flow, Funding and Details of any forward sales:** Evidence of the sources of equity and loan funding that you will draw on to fund your development, together with cash flow to demonstrate funding requirement that needs to be met and with details of how any cost overruns would be funded.
12. **Developers Responsibilities:** The bidder must submit a short document demonstrating how each of the Developers Responsibilities in Section 7 will be achieved. It should reference rather than repeat information provided in other sections.

## Section 11 – Evaluation of Bids

The separate Evaluation Scoring Guidance provides detailed guidance on the evaluation approach. Bidders should familiarise themselves with this document and requirements.

The evaluation is to:

- Determine each bidder's tender submission against prescribed pass / fail criteria
- Assessment of each bidder's quality submission. The Quality assessment is largely focussed on the credibility and deliverability of the bids proposed.
- Assessment of the most commercially favourable land value offers

### Pass / Fail Criteria

Bidders must achieve a 'pass' against Homes England's assessment of the following themes for their bid to be determined as eligible / compliant:

- The bidder must provide a tender response including all elements requested in Section 10
- The bidder must submit their tender by the tender close date described in the document
- The bidder must submit their tender in accordance with the submission instructions described in this document

At Homes England's discretion, we may seek to engage in a clarification process with bidders if further information is required or else we are not satisfied with the response provided and believe these concerns may be satisfied through clarifications.

If, following the outcome of this clarification process, we continue to have concerns in respect of the robustness of any areas of your bid – you will be scored a 'fail' and your bid will not be considered further.

Homes England's decision in this regard is final. By submitting a tender, bidders are recognised as being in acceptance of this principle.

### Quality Assessment

Quality will be assessed on a score out of 5 in accordance with the Evaluation Scoring Guidance. A score of 1 (Substantial Reservations) or 0 (Unacceptable) out of 5 for any element will render the bid a fail.

The Quality assessment is broken down into:

- Commercial viability: 20%
- Developer's understanding of the technical risks and project constraints: 10%
- Design Quality: 10%
- Approach to planning: 10%

The Price Assessment is broken down into:

- Land value: 40%
- Robustness of land value: 10%

In this regard, please note that Homes England would not necessarily be bound into accepting the highest offer.

Bidders should also note that any offers in respect of overage will not be accounted for in the land value assessment process.

Homes England's decision in relation to evaluation criteria and the evaluation itself is final. By submitting a tender, bidders accept this principle.

## Section 12 – Bid Submission Instructions

The bid deadline for this site opportunity is 1pm, 20<sup>th</sup> January 2021.

Bids must be submitted in an electronic format to the following email address:

**[tenders@homesengland.gov.uk](mailto:tenders@homesengland.gov.uk)**

Under no circumstances should bidders submit their tenders to an alternative email address (for the avoidance of doubt, this includes the Homes England project manager and the site's agent).

This is to ensure that all submissions are dealt with in an equal, fair and legally compliant way. Tender submissions will only be accessed after the agreed deadline has passed by Homes England's Central Procurement Team – who will convene a Tender Opening Panel as part of the process of opening each tender submission received, and which will ensure that the opening of tenders are independently witnessed.

Your emailed submission should include the following reference in the title field:

**Tender Reference Number 021021 - Land at Daedalus Waterfront**

Bids submitted late, or not following the procedures set out above, will be deemed as non-compliant and the tender submission will not be included in the evaluation process. If there are concerns about the size of attachments then as a minimum the completed financial offer form 9 must be sent as an attachment.

## Section 13 – Disclaimer and Freedom of Information

### **Misrepresentation**

This ITT and associated documents, have been produced in good faith, and is set out as a general guide only, and does not constitute any part of an offer or contract. The content is believed to be correct but bidders should not rely on it as statements or representations of fact but must satisfy themselves as to the correctness of each of them. No person or persons engaged by or in the employment of the Homes England has any authority to make or give any representation or warranty in relation to this property.

### **Freedom of Information**

Bidders are advised that the Homes England is subject to the Freedom of Information Act 2000. If a bidder considers that any of the information supplied as part of this procurement procedure should not be disclosed because of its commercial sensitivity, confidential or otherwise, they must, when providing this information, clearly identify the specific information they do not wish to be disclosed and clearly specify the reasons for its sensitivity. Homes England shall take such statements into consideration in the event that it receives a request pursuant to the Act which relates to the information provided by the interested party. Please note it is insufficient to include a statement of confidentiality encompassing all the information provided in the response.

## Section 14 – Contact Details

Should bidders wish to seek clarity on any aspect of this opportunity or ITT, then queries should be directed through to Homes England's appointed agents, as follows:

Kimberley Grieveson MRICS

Director

Avison Young

Telephone: 0207 9112895

Mobile: 07774 610564

Email: [kimberley.grieveson@avisonyoung.com](mailto:kimberley.grieveson@avisonyoung.com)

Hugo Parry MRICS

Surveyor

Avison Young

Telephone: 0207 9112855

Mobile: 07908 796892

Email: [hugo.parry@avisonyoung.com](mailto:hugo.parry@avisonyoung.com)



[enquiries@homesengland.gov.uk](mailto:enquiries@homesengland.gov.uk)

0300 1234 500

[gov.uk/homes-england](https://gov.uk/homes-england)