

# North Somerset Council

## Report to the Executive

**Date of meeting: Wednesday 22 June 2022**

**Subject of report: The Uplands, Nailsea: selection of preferred development partner and contractual arrangements for disposal of land**

**Town or Parish: Nailsea**

**Officer / Member presenting: Cllr. Mark Canniford, Executive Member for Placemaking and Economy**

**Key Decision: Yes**

**Reason:** The value of the contract will be over £500,000

## Recommendations

That the Executive:

- 1) Approves the award of a contract for the development of Council's land south of The Uplands, Nailsea to Stonewood Partnerships Limited, The Stonewood House, West Yatton Lane, Castle Combe, Wiltshire, SN14 7EY (company registration no. 11645128).
- 2) Delegates authority to the Section 151 Officer, in consultation with the Executive Member for Placemaking and Economy, to enter into the contractual Joint Venture with the selected developer, subject to final due diligence and within the terms outlined in this report, including provisions for the transfer of the land and agreement on terms for the transfer of £480,028 One Public Estate funding for the delivery of enabling works.

## 1. Summary of report

- 1.1 This report sets out the background to the procurement of a development partner for the delivery of 52 houses on council-owned land to the south of The Uplands, Nailsea. It seeks approval for the award of contract to bring the land forward for development and asks the Executive to delegate authority to the Section 151 Officer to enter into the final contracts with the selected developer. The contracts will include provisions for the transfer of the land and grant funding to the selected development partner.

## **2. Policy**

- 2.1 The development of this site is in line with the Council's Development Strategy as adopted in February 2021. This supports delivery of the Corporate Plan's commitment to providing a broad range of new homes to meet our growing need, with an emphasis on quality and affordability.

## **3. Details**

### **Background**

- 3.1 North Somerset Council owns approximately 2.5 hectares (6.14 acres) of land to the south of The Uplands, Nailsea. Full planning consent was granted on 21<sup>st</sup> October 2021 for the development of 52 dwellings at this site (application ref 20/P/2000/R3).
- 3.2 The proposals for the site were developed by a design team headed by Mikhail Riches architects, winners of the 2019 Stirling Prize for Architecture. A very strong emphasis has been placed on sustainability, quality of design and environment.

### **Grant funding**

- 3.3 Proposals for the site have been supported by £557,150 from the Homes England Local Authorities Accelerated Construction fund; £480,028 from the One Public Estate Land Release Fund; and £147,250 Homes England capacity funding.
- 3.4 The terms of these grants require:
- Delivery of a minimum of 52 dwellings, of which at least 30% should be affordable.
  - All units to be constructed using Modern Methods of Construction (panellised).
  - Delivery of the development to an agreed programme, leading to completion of housing by 28<sup>th</sup> February 2025.
  - In the case of the One Public Estate funding, release of land (unconditional contract) by 31<sup>st</sup> March 2023. The funding must be used to support capital enabling works.
- 3.5 The terms of the LAAC grant set out that a financial clawback provision will apply if the land value received by the Council exceeds an agreed value. In such an event, 100% of the 'surplus' must be paid back to Homes England, up to the value of the original grant received.
- 3.6 The procurement exercise and the draft Development Agreement contracts have been formulated to ensure compliance with the terms of the grant funding conditions.

### **Commissioning and procurement process**

- 3.7 The Council approved a [Commissioning Plan](#) for the procurement of a development partner on 19<sup>th</sup> July 2021, followed by a [Procurement Plan](#)

approved under delegated powers on 3<sup>rd</sup> November 2021. These documents set out the governance arrangements, criteria and evaluations processes for the procurement, including the creation of a Member Advisory Group.

- 3.8 The procurement was conducted under the Concessions Contracts Regulations 2016 (CCR), which required upfront requirements and evaluation criteria to be set. Under the CCR the council was not bound to the strict formalities of the procedure set out in the Public Contracts Regulations 2015 (as amended) (PCR) and was therefore able to enjoy the greater flexibilities offered under the CCR in structuring the procurement that commenced in November 2021.
- 3.9 Following approval of the Procurement Plan a notice was advertised via the Find a Tender Service under reference 2021/S 000-028492.
- 3.10 The procurement process was carried out in several stages. Submissions at each stage were evaluated in accordance with the criteria set out in the Procurement Plan and tender documentation. Specialist market advice and procurement support was provided by Jones Lang Lasalle (JLL). This included softy market testing prior to the commencement of the procurement to determine the market appetite for the project. Legal advice was provided by Bevan Brittan.
- 3.11 In the documentation for the procurement process, bidders were advised that the council would investigate options to increase the percentage of affordable housing to be provided. During the procurement process, it was decided to pursue this option and to increase the minimum level of affordable housing from 30% to 40%. This followed dialogue sessions with bidders and consultation with the Member Advisory Group. The change was made in order to increase the social benefits of the development, in particular to help meet local housing need.
- 3.12 The procurement included provisions that the selected developer would receive the One Public Estate Land Release Fund grant, to be used to fund delivery of specified enabling works and in line with the conditions of that grant.
- 3.13 Appendix A sets out the criteria and guidance provided to bidders for their Final Tender submissions.
- 3.14 Bidders were warned that material deviations from key criteria around quality, sustainability and affordable housing would be scored down. Conversely, bidders were advised that a bid would be more likely to score the highest marks available if meeting and, ideally exceeding, these criteria.

### **Evaluation and outcome**

- 3.15 Final tenders were received from the final two bidders on 25<sup>th</sup> April 2022 and were evaluated in accordance with the agreed criteria of 20% price and 80% quality. Full details of the criteria and scoring for this stage are provided in Appendix A.

3.16 The Evaluation Panel comprised officers from the Development and Placemaking Team and from JLL. The Council's Procurement Team evaluated Social Value submissions and advice on legal submissions was provided by Bevan Brittan. Additional comments were provided by colleagues in affordable housing and health & safety, although those officers were not part of the formal panel.

3.17 The final weighted scores awarded to the two bidders were:

	Bidder A	Stonewood
Quality score (max 80%)	50.9%	61.5%
Price score (max 20%)	4.7%	20%
Total score (max 100%)	55.6%	81.5%

3.18 On the grounds of the above, the recommendation is made that the contract be awarded to Stonewood Partnerships Ltd.

3.19 The winning bidder scored the highest on quality (61.5% compared to 50.9%) and also made the strongest financial offer. Further details are provided in the exempt Appendix B.

### **Implementation and terms of contract for development and transfer of land**

3.20 A 'standstill' period will follow the award of this contract.

3.21 The legal documentation for the contract follows the form of a Homes England standard Development Agreement (DA). The DA is made up of an Agreement for Lease and a Build Lease which are entered into at different stages of the process.

3.22 The Agreement for Lease is a conditional contract. It requires the developer to meet various conditions, including completing the discharge of pre-commencement planning conditions; confirming their affordable housing provider; appointing Compliance and Passivhaus Inspectors; and providing surety of funding.

3.23 Subject to satisfactorily meeting the above conditions the successful bidder will be granted a Building Lease over the site for the duration of the development.

3.24 The Building Lease requires that the developer must build out the site as set out in the tender process and in their bid.

3.25 A Compliance Inspector and a Passivhaus Certifier will be responsible for checking each dwelling and other aspects of development to confirm that they meet requirements. Only after the Compliance Inspector and Passivhaus Certifier have certified compliance will the freehold of the land be released. These provisions mean that the developer is unable to sell the homes until the standards required by the council are met.

- 3.26 The Lease includes overage provisions. If the value of the development is higher than expected, the Council will receive a share of the additional income that has been generated. If the developer finishes the development early, the overage paid to the council will be less. If the developer finishes the development late, the overage paid to the council will be more. This helps incentivise the developer to keep to the agreed timeline.

#### **4. Consultation**

- 4.1 Extensive public and statutory consultations have been carried out in relation to the proposals for the development and disposal of this site, including requirements in relation to planning and appropriation processes.
- 4.2 A Member Advisory Group comprising the Executive Member for Placemaking, Nailsea ward members and the Chair of the Place Scrutiny Panel was established to provide guidance on the procurement process. Requests from this group included that bidders seek to target the homes at local buyers, and that they act in a considerate manner in relation to local residents during the construction process. These requirements were incorporated into the procurement criteria.

#### **5. Financial implications**

##### **Costs and funding**

- 5.1 The site benefits from a total of £1,184,428 grant funding, as set out in paragraphs 3.3 – 3.6 above.
- 5.2 The costs of securing the planning consent were in the order of £561,420. These costs were met through use of the LA-AC grant.
- 5.3 The costs of the procurement process are estimated to be in the order of £147,250, including legal fees. These will be met through the Homes England capacity funding.
- 5.4 The costs of delivering the development will be borne by the selected development partner, at their own risk.
- 5.5 Costs of monitoring compliance with the development contract, including those incurred by NSC and by specialist PassivHaus inspectors, will be met by the developer. The developer will also meet the council's legal costs, including costs incurred in the transfer of the land.
- 5.6 Any further costs associated with the site have been minimal and have been met through use of revenue budgets and/or the Driving Growth reserve.

##### **Income**

- 5.7 The land value to be payable to the Council is as set out within the exempt report attached to this paper. The full amount will be payable on exchange of Agreement for Lease.

- 5.8 As per paragraph 3.6, clawback provisions apply to the £557k LA-AC grant if the land receipt (including overage) exceeds an agreed amount. The land value secured through the procurement is well below this figure and it is thought unlikely that the clawback provisions will be triggered.
- 5.8 The funding received will be used to support delivery of the Council's capital programme.
- 5.9 The developer will pay a total of around £450,000 in CIL and S106 contributions to fund infrastructure to support site specific needs and the cumulative pressures of the development. 15% of the CIL income (c. £50,000) will be passed to Nailsea Town Council.

## **6. Legal powers and implications**

- 6.1 The Local Government Act 1972 gives the Council the power to dispose of land held by it in any manner it wishes provided that the Council achieves the best consideration that can reasonably be obtained.
- 6.2 The procurement process has been compliant with the Concessions Contracts Regulations 2016. The Council appointed external legal advisors to advise on the procurement process and to prepare the relevant contract documentation.
- 6.3 The Council is compliant with the Public Services (Social Value Act) 2012 by ensuring it is seeking additional social value during the tender process.

## **7. Climate Change and environmental implications**

- 7.1 This development seeks to be an exemplar of environmental sustainability. Features include:
- All homes to be Passivhaus certified. This represents a very high standard of sustainability which also helps ensure good build quality and low energy bills.
  - The scheme will not include any provision of domestic gas.
  - A landscape led approach, with a high proportion of green space and improved footpath links.
  - Electrical vehicle charging for all homes, as well as contributions to fund an electric vehicle car sharing club.
  - Compliance with the requirements of a Habitat Regulations Assessment setting out ecological mitigations and enhancements.
- 7.2 Bidders were required to set out practical measures on how sustainability and carbon reduction could be optimised during the construction phase. The successful bidder set out a range of measures including:
- Sustainable choices of materials.
  - Temporary solar power units.
  - Use of local supply chains where possible.
  - Car-sharing by contractors.
  - Trialling of electric plant and the use of biofuel in existing plant.

- 7.3 The procurement process emphasised the importance of the site's sustainability ethos. Bidders were required to demonstrate how they would target buyers/occupiers who would support a sustainable lifestyle, in particular low use of private cars.

## 8. Risk management

- 8.1 The table below identifies key risks mitigation in relation to the award of contract

Risk	Mitigation
Legal challenge to the proposed award of contract.	The procurement has followed a fair and transparent multi-stage process as agreed through the Commissioning and Procurement Plans and following the Concession Contract Regulations. Scoring of bids has been carried out by a panel of NSC officers supported by specialist consultants from Jones Lang Lasalle and legal advice from Bevan Brittan. Further specialist comment has been sought from Health & Safety and Affordable Housing officers to inform the scoring.
The recommended bid is not sufficiently high quality to meet the council's desired objectives.	Bids have been required to meet a detailed specification in line with the agreed Commissioning and Procurement Plans. Feedback has been provided by officers and dialogue sessions have been held to help steer the content of the bids to ensure that they would meet requirements. The view of the panel, including external specialists is that both the final bidders were of a high quality and met specifications.
The awarded contract is not delivered to the required timescale or quality / the financial offer is not fully honoured.	The Final Tender documentation will form part of the contract and Development Agreement. Land is released to the developer only on satisfactory completion of each dwelling to the required standard. The bid includes funding for the employment of a Compliance Inspector, Passivhaus Certifier and for council officers' time in monitoring the contract.
Delays or problems in the developer delivering the development.	Each bidder was required to submit a detailed risk assessment as part of their tender, including information on risk owners and how the risks would be mitigated.
Failure to meet Homes England / One Public Estate funding criteria.	The Homes England and One Public Estate criteria were a key part of the tender specifications and will form part of the contract documentation.

Risk	Mitigation
Impacts of any future pandemic or other force majeure event	<p>Risks relating to the infrastructure and development construction have been taken account of in the risk registers detailed above. Any impacts on council officers involved in the management and monitoring of the contract will be considered through the business continuity plans of the teams in question, but are not anticipated to be significant at this stage.</p> <p>It is possible that future pandemics, economic change or other major events may affect the housing market and appetite for new housing. This is provided for in the Building Lease and will be kept under review, however at present the market remains strong. 40% of the housing will be affordable and is unlikely to be affected by any market downturn.</p> <p>Risk registers and business continuity plans are 'live' documents and will be updated as and when circumstances change.</p>

## 9. Equality implications

### Equalities Impact Assessment

Have you undertaken an equality impact assessment?

Yes – please see Appendix C.

- 9.1 The procurement process included requirements for bidders to demonstrate compliance with equalities legislation and good practice. This included submission of their organisation's Equality and Diversity Policy Statement at Outline Solutions stage. The statements were checked by specialist NSC officers and were scored out of 5 for compliance with NSC expectations. A minimum score of 4 was required for bidders to continue through the process. All bidders met this minimum score.
- 9.2 The Equality Impact Assessment in Appendix C identifies positive and negative impacts of the delivery of the development and transfer of the land.
- 9.3 Positive impacts include that the contract and development proposals require the provision of 40% affordable housing and a higher than policy requirement level of adaptable/accessible homes. The emphasis on good quality homes that are energy efficient and in excess of space standards is of benefit to mental and physical health. The landscape-led approach and provision of accessible pedestrian routes are of positive benefit and will help to mitigate impacts in relation to loss of open space.
- 9.4 The primary negative impacts relate to the loss of open space; disruption and stress caused by construction activity; and concerns about road safety, which

could include negative impacts on a range of people or groups with protected characteristics.

9.5 The EIA identified actions to mitigate these impacts, which include:

- Delivery of a landscape-led scheme maintaining a good proportion of green space and improved access routes, in particular to the bridleway.
- Consultation with appropriate representative groups to finalise details of landscape-led elements where appropriate.
- Construction Management Plan to be shared with local residents to enable them to put forward suggestions.
- Developer to sign up to Considerate Constructors scheme and to take steps to create positive relationships and minimise disruption to local community.
- Delivery of positive benefits of scheme, including but not limited to:
  - 40% affordable housing.
  - Adaptable and accessible homes.
  - Passivhaus standards (which have health benefits and reduce fuel poverty).
  - Community development activities.
- Implementation of road safety measures identified by Local Highways and Planning Authorities, including through Road Safety Audits.
- Payment of S106 contribution for off-site highways mitigations.

9.6 Despite the above actions, there will remain some potentially negative impacts from the loss of open space and the implementation of development. These have been mitigated as described above and must be weighed against the positive benefits of the scheme. In particular the provision of good quality affordable and accessible / adaptable housing will have a positive impact on the physical and mental health of the future occupants of those homes.

9.7 The successful bidder has made a range of Social Value commitments. These are detailed in Appendix B, some of which have particular value to people with protected characteristics, particularly younger people. The social value commitments include two apprenticeships; six work placements; career talks in schools and colleges; use of local recruitment and supply chains; car sharing schemes for construction staff; and energy efficient building practices and machinery.

## **10. Corporate implications**

10.1 A wide range of council officers, members and partners have been involved in this project to ensure that the development meets corporate objectives and is supported by appropriate infrastructure and services.

10.2 The capital receipt from the site will help deliver priorities identified through the Council's Capital Strategy.

## **11. Options considered**

11.1 To re-start the procurement with different criteria or different contractual arrangements. This is not felt necessary as the bids received were of a good quality and will deliver the Council's objectives and terms of funding. A variety

of options were considered at the Commissioning Plan and Business Case stage in July 2021. Re-starting the process would require additional funding and would cause delay.

- 11.2 Not to award a contract for the development and transfer of the land (i.e. not to pursue the development): this would be contrary to the council's aspiration to provide a broad range of new homes. It would require the identification and delivery of another equivalent site in order to meet our five-year housing supply requirements. It would be highly likely that funding bodies would require repayment of the grants that have been awarded in support of the projects.

### **Authors:**

Jenny Ford, Head of Development & Placemaking  
Geoff Brakspear, Development Project Manager  
Miranda Huntley & Holly Wilkins, Procurement Managers

### **Appendices:**

Appendix A: Criteria and guidance for the Final Tenders  
Appendix B: Evaluation of Final Tenders and information on Financial and Social Value offers (exempt)  
Appendix C: Equalities Impact Assessment.

### **Background papers:**

- Full Planning Consent: details available on North Somerset Council website, application reference [20/P/2000/R3](#).
- Commissioning Plan dated 19<sup>th</sup> July 2021: [Uplands Commissioning Plan](#)
- Procurement Plan, DP257 dated 3<sup>rd</sup> November 2021: [Uplands Procurement Plan](#)

**North Somerset Council Executive Committee, 22 June 2022**  
**Land south of The Uplands, Nailsea: Contract Award of Developer**

**Evaluation criteria for final tenders**

**A. Quality criteria**

**Scoring matrix:**

The scoring matrix used for the quality questions (with the exception of the legal question) was:

9 - 10:	Excellent
7 – 8:	Good
5 – 6:	Satisfactory
3 – 4:	Weak
1 – 2:	Inadequate
0:	Unsatisfactory

Details on the scoring matrix for the legal question are provided in the table below.

**Specifications for bidders (quality criteria): extract from Invitation to Submit Final Tenders Volume 2:**

**Question 1**

**SUSTAINABILITY, ENVIRONMENT AND LOW CARBON DEVELOPMENT – 25%**

**Question:**

Bidders must set out how they will achieve the following:

- i. The construction and certification of all houses to Passivhaus Classic standard (or higher), with the exception of House Number 2.
- ii. The construction and certification of all bungalows and House Number 2 to Passivhaus PHI Low Energy Building Standard.
- iii. Delivery of all other sustainability and low carbon measures embedded into the planning consent. This includes, but is not limited to, nil domestic gas, electric car charging for every house and compliance with the agreed proposals for net biological gain.
- iv. Marketing and explanation of the sustainability features of the development to buyers/occupiers and ongoing steps to ensure the successful operation and continued sustainability of the site going forward.
- v. Optimisation of sustainability and carbon reduction during the construction stage.

We encourage bidders to reference examples from current or previous schemes which demonstrate the deliverability of these requirements.

**Guidance:**

Bidders are asked to provide full details demonstrating how they will achieve each of the requirements both in terms of technical detail and in demonstrating their capacity, knowledge and commitment as an organisation.

Bidders should provide detailed commentary on any issues / challenges they anticipate may arise, with details as to how they will address and seek to mitigate those challenges.

Throughout the answers to this question, we are seeking evidence of commitment and capability to maximising the sustainability of the scheme.

**(i) & (ii) *Passivhaus Classic and Passivhaus PHI Low Energy Building Standard:***

Passivhaus is characterised by an especially high level of thermal comfort with minimum energy consumption. In general, the Passivhaus Standard provides excellent cost-effectiveness particularly in the case of new builds.

Passivhaus standards are achieved through intelligent design and implementation of the 5 Passivhaus principles: thermal bridge free design, superior windows, ventilation with heat recovery, quality insulation and airtight construction.

Bidders will need to robustly demonstrate that they can deliver the Passivhaus standards and certification set out below. This to include their detailed methodology for achieving it.

**Passivhaus Classic:**

For a building to be considered a Passivhaus Classic standard, it must meet the following general criteria. Bidders and their advisors will need to ensure they have appraised detailed criteria to underpin Passivhaus Classic standards and certification:

1. The Space Heating Energy Demand is not to exceed 15 kWh per square meter of net living space (treated floor area) per year or 10 W per square meter peak demand.
2. The Renewable Primary Energy Demand, the total energy to be used for all domestic applications (heating, hot water, and domestic electricity) must not exceed 60 kWh per square meter of treated floor area per year.
3. In terms of airtightness, a maximum of 0.6 air changes per hour at 50 pascals pressure (ACH50), as verified with an onsite pressure test (in both pressurized and depressurized states).
4. Thermal comfort must be met for all living areas during winter as well as in summer, with not more than 10 % of the hours in a given year over 25 °C.

**Passivhaus Low Energy Building:**

For a building to meet a PassivHaus Institute (PHI) Low Energy Building Standard (suitable for buildings which do not fully comply with other Passivhaus criteria for various reasons) it must meet the criteria set out below. Bidders and their advisors will

need to ensure they have appraised detailed criteria to underpin PHI Low Energy Building Standard and certification:

1. The Space Heating Energy Demand is not to exceed 30 kWh per square meter of net living space (treated floor area) per year.
2. The Renewable Primary Energy Demand, the total energy to be used for all domestic applications (heating, hot water, and domestic electricity) must not exceed 75 kWh per square meter of treated floor area per year.
3. In terms of airtightness, a maximum of 1 air changes per hour at 50 pascals pressure (ACH50), as verified with an onsite pressure test (in both pressurized and depressurized states).
4. Thermal comfort must be met for all living areas during winter as well as in summer, with not more than 10 % of the hours in a given year over 25 °C.

**(iii) Other sustainability and low carbon measures:**

The scheme at The Uplands has been designed as an exemplar in terms of sustainability and low carbon. These principles and associated specific features are embedded within the planning consent. Please set out clearly how all the sustainability and low carbon features forming part of the planning consent will be delivered in full or, if you are proposing minor amendments, list clearly what they are, your rationale for making them and any impact on either scheme outcomes or delivery. A table format is encouraged in this regard. In addition to your confirmation, we will want to see your detailed methodology for achieving each sustainability and low carbon measure.

**(iv) Informing and working with buyers/occupiers:**

Bidders must explain clearly how they will communicate and explain the sustainability features of the development to buyers/occupiers during marketing, at the point of purchase and ongoing so as to ensure the successful operation and continued sustainability of the site going forward. This includes (but is not limited to) Passivhaus features, ventilation machinery, non-gas heating, and car charging.

This must include information about how the site will be branded/marketed so as to attract sustainability-minded buyers/occupiers, including an emphasis on the design and ethos of the site as a low-car development.

**(v) Maximising sustainability during the construction phase:**

Bidders must set out and explain all the practical measures they will implement to optimise sustainability and carbon reduction during the construction phase, including through the choice of MMC provider.

## Question 2

### DESIGN AND COMMUNITY – 25%

#### Question:

Bidders are required to confirm that they will deliver the consented scheme including:

- i. Approach to working in partnership with the Mikhail Riches-led design team and assurance of design quality.
- ii. Delivery of consented scheme details and/or any expected minor amendments.
- iii. Delivery and integration of affordable, adaptable and accessible housing.
- iv. Approach to the creation of a positive and inclusive sense of place and community.
- v. Delivery and ongoing maintenance/stewardship of high-quality landscape.

Examples from current or previous schemes which demonstrate the delivery of these elements is encouraged.

#### Guidance:

The scheme has been designed by an award-winning design team (led by Mikhail Riches) to ensure that an exemplar scheme is delivered in terms of quality, landscape, and sustainability. The Council requires that this scheme is now delivered as an exemplar, that potential buyers understand and are attracted by its high-quality features, and that it is managed to the highest standard post completion.

#### **(i) *Partnership working and design quality:***

Approach to working in partnership with the Mikhail Riches-led design team and assurance of design quality.

The Council's clear and strong preference is that the bidder takes on the existing professional design team led by Mikhail Riches (particularly the key disciplines including SEED Landscape Design, Greengauge Building Energy Consultants and Momentum Structural Engineers).

Information on the existing professional advisory team is provided in the data room.

Please confirm that this is your approach and set out your methodology as to how you envisage the parties working together to ensure a positive relationship and outcome; evidence of having discussed your methodology with Mikhail Riches is beneficial.

If bidders choose to use different / additional advisors they should confirm details of the alternative parties, their experience relevant to this scheme/site, a rationale as to why they have not utilised the existing team, confirmation that the project programme remains deliverable and that the high quality, landscape-led and environmental performance of the consented scheme will not be compromised.

Bidders should be aware that if choosing not to engage Mikhail Riches and team, this may lead to their bid being scored down versus others who follow the preferred route.

**(ii) Delivery of consented scheme:**

The scheme benefits from full planning consent. It is the Council's clear preference that this consent is delivered in full. We do appreciate however that there may be limited areas where bidders may want to make minor adjustments. Please either confirm that the planning consent will be delivered in full or, if you are proposing minor amendments, list clearly what they are, your rationale for making them and any impact on either scheme outcomes or delivery. A table format is encouraged.

**(iii) Delivery and integration of affordable, adaptable and accessible housing:**

The planning consent includes affordable housing and accessible M4(3) and adaptable M4(2) housing provision (note that the number of M4(3) and M4(2) units is in excess of policy requirements). In addition to M4(3) and M4(2) units, all homes are a minimum 10% above Nationally Described Space Standards and have been provided with additional storage space both internally and externally.

Please note in relation to affordable housing the minimum required provision has been increased by the Council to 20 units (16 social rent and 4 shared ownership).

The affordable housing mix should be as shown in the table below:

Unit type	Unit description	Social rent	Shared ownership
A	1 bed / 2 person bungalow	3	1
B	2 bed / 4 person bungalow	3	1
C	2 bed / 4 person	4	1
D	3 bed / 5 person	5	1
E	3 bed / 6 person		
F	4 bed / 6 person	1	
G	4 bed / 7 person		
<b>TOTAL</b>		<b>16</b>	<b>4</b>

Slight adjustments to the housing mix, where justified, will be considered, for example a substitution of a 2 bed bungalow for a 2 bed house (unit type C for type B). This should not include more substantive amendments that would undermine/reduce the overall provision. For example, it would not be acceptable to switch a 7 person dwelling for a 4 person dwelling.

Bidders must provide a plan and table setting out the location of their affordable housing units, along with a rationale as to the selected layout and information on any planning amendments anticipated to be required to enable delivery.

These elements of affordable, adaptable and accessible housing are very important. Please confirm that these elements will be delivered including your methodology for each. Where possible, please also include examples where similar outcomes have been delivered on other relevant schemes.

Bidders must also provide information on ownership structure and management arrangements for affordable housing. Please include evidence of discussion with Registered Providers, where relevant to demonstrate that your intended approach is deliverable within the project timetable. The selected Registered Provider must be a member of HomesWest.

In relation to the M4(2) and M4(3) homes, bidders must demonstrate a clear understanding of the requirements and provide information on how these will be delivered in practise including your methodology. Please note that any additional measures to encourage accessibility / adaptability of homes would be recognised as a benefit by NSC and would be reflected in the scoring of bids.

In addition to the affordable and accessible housing requirements, the Council is strongly interested in any measures put forward by bidders that would help promote and facilitate the occupation and purchase of homes by those from the local community of Nailsea. Bidders must set out details of measures that they would undertake in order to achieve this.

**(iv) *Creation of a positive and inclusive sense of place and community:***

We are seeking proposals that will promote:

- The formation of good relationships amongst new residents and with neighbouring communities / local networks.
- A positive, inclusive and active community that promotes widespread engagement with sustainability matters, community issues and associated activities.
- The creation of a self-sufficient and strong community capable of resolving its own problems and achieving its aspirations.

Please set out your approach to working with the community pre and post occupation of the houses to achieve the above.

These proposals should link in with measures relating to long-term stewardship of the site.

Please note that this question is seeking to understand how you will positively create a sense of community and place amongst new and neighbouring residents. It is *not* a question about planning consultations or customer relations, which are dealt with elsewhere.

**(v) *Delivery and ongoing maintenance/stewardship of high-quality landscape:***

The site has been carefully designed to create a very attractive environment with a strong landscape led approach. Please set out your approach to delivery and maintenance, in particular your proposed mechanisms for ensuring, post-delivery, that the overall site is maintained to a very high standard and that the residents get maximum value from the overall environment/communal areas.

Again, examples of your suggested approach/structure working in practise on other schemes is encouraged.

### Question 3

#### **PROJECT TEAM, PROGRAMME, RISK MITIGATION, PROJECT MANAGEMENT AND ACCESS TO FUNDING – 20%**

##### **Question:**

Bidders are required to confirm details of their delivery and professional advisory team and detailed arrangements for robust and effective implementation of this scheme, including but not limited to the issues identified. The response must address the specific issues relating to this site, including site specific factors, use of MMC and delivery at pace.

We are also seeking information about the construction stage of development and how this will be managed to minimise impacts on (and complaints from) existing and new residents.

##### **Guidance:**

##### **(i) *Organisational structure, communication and experience:***

Please provide:

- An organogram and explanations of the organisational and management structures for delivery of the scheme.
- Evidence that your bid is supported from the relevant decision-making internal group/board, and details of the internal governance processes and timescales to signing the Agreement for Lease and Build Lease.
- Details of the main contractor where already identified/secured including associated rationale, relevant delivery experience and the associated contractual structure. If the main contractor is not identified, please set out the specific process for procurement of a suitable contractor including both timeline and assurances that the process will identify the best fit contractor for the project. Please also confirm the envisaged contractual structure.
- The proposed approach to managing engagement with the Council, including a single point of contact throughout the delivery of the development and how engagement with the Council will be as efficient as possible.
- A clear method statement / diagram showing the decision-making process and responsibilities at each of the key stages. This should correlate with the programme.
- Details of the proposed Project Leader and other key personnel supported by summary CVs detailing their relevant experience of working on similar development projects (including the use of MMC) within the past five years.
- Details of how resilience will be achieved (in terms of project resourcing) in the event for example of prolonged annual leave or illness or staff turnover.

##### **(ii) *Project management:***

Please set out your detailed project management approach to demonstrate how delivery covering both quality and pace throughout the process will be managed and maintained. As part of this response bidders should refer to the relevant clauses in the draft legal documentation i.e. compliance requirements etc. This answer should ideally include evidence of how the suggested approach has been successful on other comparable

developments. Your response should also include information on the on-site and off-site management of the MMC process.

**(iii) Delivery at pace:**

Please demonstrate that you can achieve the delivery requirements outlined in the two funding agreements including but not limited to:

1 September 2022: Provision of contractor's accepted programme

31 October 2022: Target start on site (infrastructure, enabling and site preparation)

31 March 2023: Completion of LRF funded works

1 October 2023: Deadline for start of housing development

1 March 2024: Start of first housing unit (foundations laid)

28 February 2025: Practical completion (Building Control sign off last housing unit)

Project completion: 1 September 2025

Please provide a table with the key dates for achieving all grant funding milestones. This should be supported by a commentary as to the appropriateness of the assumptions adopted. An explanation of when the affordable units will be delivered and transferred (where relevant) should be provided.

We recognise that this programme is ambitious. If bidders are concerned about the timeline, we recommend that they put forward their best programme which is as close to the target dates as possible. This will be scored as part of assessment, but in the event that the target deadlines genuinely cannot be met, we will seek to work with the government funders to agree a workable solution. We anticipate in particular that there may be a degree of flexibility around the 31st October 2022 target start on site date.

**(iv) Programme:**

Please provide a robust and detailed project programme in Gantt Chart format (or equivalent). This should include a full breakdown of the distinct activities required to deliver the site and the interdependencies between them to identify a clear critical path. This should include key milestones. An appropriate rationale/commentary should be provided outlining the appropriateness of all the assumptions adopted. The programme to meet all deadlines in the LAAC Grant Funding Agreement.

The programme to include but not limited to:

- Discharging all planning conditions including Section 106 Agreement
- Pre-construction programme, including the critical lead in period for the MMC supplier(s)
- Construction programme including enabling works (including site clearance, groundworks, access road and other necessary elements)
- Sales period, including anticipated transfer to an affordable housing provider (where required)

Please explicitly set out any expectations of the Council in terms of officer time and decision-making in order to achieve the programme provided.

**(v) Risk management:**

Please submit a detailed risk register identifying risks at each of the key delivery stages together with appropriate mitigating actions, risk owners and timescales for carrying out any mitigation activity. If any mitigating actions are required prior to the appointment of a preferred developer, it will be important to outline how these will be executed and the expectations of the Council.

It is expected that, as a minimum, this will consider (but not be limited to) the following: planning condition discharge, pre-construction, construction, site specific aspects, use of MMC, open market sales, transfer to the affordable housing provider and long-term site management.

The risk register should also consider the current and any future Covid-19 outbreak and how this will impact on the development, associated risks and mitigation measures proposed.

**(vi) Finance and use of grant:**

Please set out clearly how you will fund / cash flow the total cost of the development (including land value) including all necessary supporting evidence i.e. from internal sources or third party funders etc. Correspondence confirming the position is required. In the case of third party funders, please include evidence that they are aware and comfortable with the legal structure (Agreement for Lease and Lease) and that no further amendments to the legal documents (beyond those provided at final tender stage) will be required.

This must also include information about your intended use of the £481,028 Land Release Fund grant. Bidders intending to use this grant must set out a draft specification of works, programme, method statement and how the use of grant will fit into their expected financial profiling (expenditure and claims). They must also provide information on the mechanisms they will put in place to ensure compliance with the terms and conditions of the grant.

**(vii) Construction management:**

Please confirm that your organisation and contractors will sign up to the Considerate Constructors scheme for this site.

Please also outline how you will engage with existing/neighbouring residents in drawing up your Construction Management Plan to minimise impacts on those residents and to ensure a rapid and positive resolution to any issues that arise.

In relation to buyers/occupiers, please provide details on the customer relations procedure that will be adopted, including how issues will be monitored and managed to ensure positive relationships with customers. Details of how lessons learnt are embedded into this process to avoid re-occurrence should be included.

#### **Question 4**

#### **MODERN METHODS OF CONSTRUCTION (MMC) – 15%**

##### **Question:**

Bidders are required to provide full details of their proposed approach to construction including modern method of construction (MMC) product that will be adopted on-site if the bidder is successful including full details on how it will be implemented in practice. This must demonstrate compliance with the LAAC Grant Funding Agreement.

##### **Guidance:**

##### ***MMC specifications:***

Please note that the Council is obligated via funding condition to utilise panelised forms of construction for all 52 houses. This is defined as:

“Flat panel units are produced in a factory and assembled on-site to produce a three-dimensional structure. The most common approach is to use open panels, or frames, which consist of a skeletal structure only with services, insulation, external cladding, and internal finishing occurring on-site. More complex panels - typically referred to as closed panels - involve more factory-based fabrication and may include lining materials and insulation. These may also include services, windows, doors, internal wall finishes and external claddings. This category embraces newer panelised approaches such as Structurally Insulated Panels (SIPs), storey height aircrete panels, crosswall panelised construction and Cross Laminated Timber (CLT) panels”.

The development of the planning application has been informed by Frame UK, manufacturers of timber-framed panelised MMC who have demonstrated the potential suitability of their product for this site. There is no obligation on bidders to use Frame UK but they may wish to consider this option.

For bidders considering a Volumetric MMC solution, we are reasonably confident that Homes England would be supportive if the scheme were amended to 100% Volumetric, as this is a technology they generally wish to support. This is something we would however need to confirm.

If this is something you wish to include in your submission, we strongly recommend that you review the detail of the planning application and evidence in your response that any Volumetric units would be sufficiently flexible to deliver the consented scheme (e.g. housing mix, layouts & detailing etc.) without need for significant planning amendments. Please also clearly evidence the feasibility of getting the intended Volumetric product to site.

##### ***Information required:***

- Bidders must provide full details of their proposed use of MMC, including, but not limited to the following:
- Details of your approach to construction of the scheme including how the main contractor will be selected and managed to ensure effective delivery.
- Information on the proposed Panelised (or Volumetric if relevant) construction product(s) to comply with the LAAC Grant Funding conditions. To include details of

the product type and confirmation that all units will be delivered via this form of construction. Information provided to the Council by Frame Homes UK is shared in case helpful to bidders.

- Details of your experience on previous/current schemes of effectively utilising the proposed Panellised (or Volumetric if relevant) construction product(s).
- Explanation and confirmation as to why your proposed construction products are suitable to the site given the nature of the location (including site specific factors such as ground conditions and access routes) coupled with the Council's objectives around sustainability and design.
- Confirmation of the proposed supply chain demonstrating capacity to deliver at pace. This should include information on location, capacity, and quality management process. Evidence that the supplier has the capacity to provide the requisite number of units to comply with the delivery conditions of the LAAC grant. If there are any risks to delivery these should be identified alongside the strategies that will be adopted to mitigate them.
- Confirmation and details of the financing and mortgagability of the proposed MMC products, including acceptability to mainstream residential mortgage providers.
- Details of all assurances and warranties associated with the proposed MMC products should be provided.
- Confirmation that the proposed MMC product will be acceptable to Registered Providers of Affordable Housing (RPs). Evidence should be submitted to support this, for example a letter from the preferred RP or examples of where the product has been successfully transferred to an RP elsewhere. This should relate to the specific product proposed on-site.
- Information on the ease of maintenance of the end-product and how any special requirements (please describe) will be communicated to end users, including RPs.
- Confirmation of the environmental benefits of the proposed MMC products and details of their future performance in use. This should align with the Council's objectives and requirements provided in Question 1. Please note this should consider the environment benefits through both the construction and lifetime of the product. Specific details for the product proposed on-site should be provided.
- Confirmation whether or not the proposed MMC product will comply with construction warranties.
- Details and examples of your Quality Assurance processes in relation to the MMC product(s) and the robustness of your proposed supply chain.
- A logistics plan, storage requirements and pre-construction timescales.
- The predicted lifespan for the homes and any special requirements to maximise the life expectancy.
- Details of the future adaptability of the proposed dwellings. This should include for example the ability for an owner to subdivide rooms or extend the property.

## Question 5

### SOCIAL VALUE – 10%

#### Question:

Bidders are required to outline their social value proposal connected with the deliverability of the development. Your response should include detailed, clear, specific, measurable commitments based on the guidance provided in our Social Value Appendix at Appendix 3 and our Social Value policy, available at: <https://www.n-somerset.gov.uk/business/tenders-procurement/procurement-strategy/our-social-value-policy>

#### Guidance:

Please note:

- 1) The Council does not expect you to commit to delivering Social Value for all the outcomes set out in our policy. It is for you to determine where you are prepared to make Social Value commitments, linked to the delivery of the development, although as a guide the Council view is that you should consider as a minimum the following:
  - Apprenticeships
  - Internships
  - Supporting local suppliers
  - Providing training, workplace experience and/or employment opportunities for those most removed from the labour market
  - Supporting local voluntary / community sector
- 2) The Council is NOT looking for what initiatives you currently have within your organisation as 'business as usual' or doing at present with other customers (although you may look to replicate what you have done with other customers). The Council is interested in proposals of what exactly you will offer that is related to the performance of this contract and how you intend to deliver such initiative(s) so that these can be tracked throughout the resulting contract.
- 3) Similarly, Social Value measures must NOT duplicate measures already required as part of the design of the scheme, other tender requirements, or S106/CIL obligations.

Additional guidance for Question 5 is appended to the Invitation to Submit Final Tenders (as per the Outline stage).

## **Question 6**

### **LEGAL – 5%**

#### **Question:**

Bidders are required to submit a mark-up of the Contract (both Agreement for Lease and Lease).

Bidders must also provide information on any changes they propose to the draft S106 agreement (excluding changes necessitated by the Council's final tender requirements in relation to affordable housing). Ideally this should be provided as a mark-up to the document, however a table format with clear numbering and explanations would also be acceptable.

In both cases, bidders should provide their rationale as to the reason for proposed amendments.

#### **Guidance:**

Bidders had the opportunity to clarify the terms of contractual suite with the Council during the Dialogue Stage of the competition.

The Council intends to evaluate the “Legal” criterion responses submitted at Final Tender in accordance with the scoring methodology set out below. The scoring methodology will be confirmed in the ISFT document.

Proposed amendments should be accompanied by narrative reasoning explaining any amendments and the need for the derogation.

Amendments should not substantially deviate from the fundamental requirements set out in these documents and the Council reserves the right to reject a bid which seeks to make substantial changes or qualifications to these requirements.

Evaluation of all amendments proposed in a bidder's Final Tender submission will be assessed holistically and given an overall score taking into account a number of factors:

- The degree of acceptance of and conformity to the terms and risk allocations prescribed by the Council
- The degree of additional benefit offered or detriment to the Council
- The overall impact of the amendments taking into account both single amendments and the accumulative effect of multiple amendments as to their benefit or detrimental to the Council

The amendments submitted as part of the Final Tender submission should reflect the positions agreed with the Council through the negotiation meetings during the dialogue stage of the competition.

In the event that the amendments do not comply with the paragraph immediately above, the Council reserves the right to reject such a bid for non-compliance with this requirement.

Expected overage provisions are detailed in the Contract. Any proposals for changes to the Contract will be evaluated as part of the legal evaluation, as detailed above. This will take account of whether proposed changes have a positive or negative impact on the Council.

The performance of the contractual documents mark-up will be given a raw score of between “0” and “5” using the scale below:

Legal Scoring Scale	
Score	Commentary
5	<b>Amendments are Significantly Advantageous</b> The proposed amendments are, on balance, overall very or wholly advantageous and will bring significant benefits to the Council
4	<b>Amendments are Moderately Advantageous</b> The proposed amendments are, on balance, overall moderately advantageous to the Council.
3	<b>No Amendments or Amendments Not Significant</b> The Bidder either accepts the Council contractual documents without amendments; or the amendments, on balance, do not have a significant detrimental or advantageous effect on the risk position of the Council.
2	<b>Amendments are Moderately Disadvantageous</b> The proposed amendments vary the risk position and are, on balance, overall moderately disadvantageous to the Council.
1	<b>Amendments Significantly Disadvantageous</b> The proposed amendments vary the risk position and are, on balance, significantly disadvantageous to the Council.
0	<b>Amendments Highly Disadvantageous</b> The proposed amendments vary the risk position and are, on balance, highly disadvantageous to the Council and unacceptable.

The Council reserves the right to exclude bidders who scoring less than 2 in respect of the Legal criterion at the Final Tender stage of the process.

## **B. Financial offer**

*Extracted from Invitation to Submit Final Tenders Volume 2:*

1. At Final Tender stage, you are required to prepare and submit a financial offer in the form of a proposed land price, deposit and payment terms / deferred payment profile. A weighting of 20% will be applied to the financial offer (price).
2. It is anticipated that the land price will be offered on deferred payments; therefore, a Net Present Value (NPV) calculation will be undertaken to determine the financial offer at the time of evaluation. A consistent method will be used for all financial offers received. See below section below on price evaluation.
3. LRF grant funding of up to £481,028 (to be spent on site clearance, groundworks, and access) can be assumed in relation to your financial appraisal, provided you are able to spend it within the terms and timescale of the funding conditions. Your cashflow must set out the expected expenditure and claims against this grant.
4. Bidders should be confident that their financial proposal is deliverable and are required to submit the following supporting evidence as part of their Bid response:
  - i. A development appraisal, including a cashflow of the scheme (including receipt and use of grant). This should be in Excel or Argus format. In the case of the latter, Bidders should provide a 'live' Argus appraisal. This should identify the anticipated expenditure and income from the scheme. It should take account of the proposed phasing and available grant funding towards site clearance, groundworks, and access.
  - ii. Completion in full of the financial proforma using the template provided at Appendix Two. Other than where explicitly stated in the financial proforma, bidders must additionally provide relevant, site-specific information to evidence each of the assumptions. This should be provided in a clear and easy to interpret format to allow ease of comparison. Further guidance is provided within the proforma.
5. The financial proforma and associated evidence to support assumptions will not be scored but will be reviewed and used to ensure that all assumptions underpinning the Development Appraisal are robust.

## **Price evaluation**

*Extracted from Invitation to Submit Final Tenders Volume 1:*

It is anticipated that the land price will be offered on deferred payments; therefore, a Net Present Value (NPV) calculation will be undertaken to determine the financial offer at the time of evaluation. A consistent method will be used for all financial offers received.

The tender with the highest total NPV will receive the maximum score and the prices of all other Bids will be expressed as a percentage of the maximum score. As an example, the table below shows three differing bids. It demonstrates that a weighted price score is calculated based on the difference between the highest bid.

	A	B	C	D	E
Tenderer	Price Submitted Bid (£)	Difference from Highest Bid (£)	Price Weighting %	Difference from 100%	Weighted Score
Bidder A*	£10,000,000	£0	20.00%	100%	20%
Bidder B	£8,500,000	-£1,500,000	20.00%	85%	17%
Bidder C	£9,000,000	-£1,000,000	20.00%	90%	18%

*\* Highest land price offer*

### Equality Impact Assessment

**Service area:** Development & Placemaking

**Does the topic of this assessment link to a budget reduction proposal?:** No

**Equality impact assessment owner:**

Jenny Ford, Head of Development & Placemaking

**Assistant Director/Director sign off:**

Alex Hearn, Assistant Director for Placemaking & Growth

**Review date:** 01.06.2022

### 1. Equality impacts

#### Service user impact

Before mitigating actions: Medium

After mitigating actions: Low

#### Staff impact

Before mitigating actions: Low

After mitigating actions: Low

### 2. The proposal

#### 2.1 Background to proposal

The development of 52 homes on land owned by NSC to the south of The Uplands, Nailsea through award of contract and transfer of land to Stonewood Partnerships Limited.

#### 2.2 Please detail below how this proposal may impact on any other organisation and their customers

- Delivery of 52 high-quality, Passivhaus certified homes.
- 40% of homes to be affordable (*Note: this is an increase from the 30% reported in the Initial EIA*).
- 30% of all homes to meet M4(3) and M4(2) building regulations as “accessible and adaptable buildings” (eight homes to meet M4(2) standard and eight to meet M4(3) standard).
- 30% of affordable homes to meet M4(3) standards (six units).
- 25% of affordable homes to meet M4(2) standards (five units).
- Landscaping of site including new/improved footpaths / cycle routes, including to bridleway,
- Loss of informal open space as a result of development.
- Impact of development on surrounding areas, e.g. loss of amenity, increased traffic, disruption caused by construction.

### 3. What do we know?

#### 3.1 Customer/staff profile details – what data or evidence is there which tells us who is, or could be, affected?

The land at The Uplands is within Nailsea West End ward, however there are potential wider impacts for people across the Nailsea area.

Key sources of information used for this assessment are:

- North Somerset ward profiles: <https://www.n-somerset.gov.uk/council-democracy/north-somerset-insight-data-statistics/north-somerset-profiles>
- North Somerset [Joint Strategic Needs Assessment](#) for health and social care.

In addition, we have referenced the Home Choice register of applicants for affordable housing. The embedded documents below are extracts dated 23<sup>rd</sup> May 2022. These provide information on the full register and specifically for the Nailsea wards, including those needing specific adaptations.



Affordable housing colleagues have commented that the register does not give a full picture of housing need, because some who are eligible do not register (typically this may happen in locations where it is known that no affordable housing is available), nor does it include the need for other types of affordable housing such as shared ownership. There is a separate register held by Help to Buy South and not all people in need will register in both.

#### 3.2 What does the data or evidence tell us about the potential impact on diverse groups, and how is this supported by historic experience/data?

##### Deprivation:

- Overall the Nailsea wards have proportionately low levels of deprivation. Two of the Nailsea wards (Golden Valley and Youngwood) have the lowest levels of deprivation in North Somerset.
- Estimated child poverty in all Nailsea wards is lower than the North Somerset average.
- Unemployment is proportionately low across all of the Nailsea wards.

There are no particular impacts identified from this data.

##### Age profile:

- The Nailsea wards have a slightly lower than average proportion of children compared to North Somerset as a whole. The percentage aged under 18

years ranges from 16.9% (Yeo) to 19.6% (Golden Valley), compared to the North Somerset average of 20.1%.

- The wards have a higher than average population of older people compared to North Somerset as a whole. The percentage aged above 65 years ranges from 24% (Golden Valley) to 32.4% (Yeo).
- The average life expectancy for women ranges from 83.8 years (Yeo) to 86.9 (West End). For men the expectancy is from 81.8 (Yeo) to 84.8 years (Golden Valley). This compares to North Somerset averages of 83.5 years for women and 80.1 years for men.
- Overall, the Nailsea age profile is weighted towards older age groups.

Potential impacts are that:

- Consultation has identified that older people in the area enjoy the open space and peace at this location and that its loss may impact their mental health and ability to exercise.
- An increased need for housing suitable for older people.

### Ethnicity

Up-to-date data on ethnicity by ward was not available using these sources. The North Somerset population from Black and Minority Ethnic backgrounds is 2.7%.

Impacts:

People from BAME backgrounds have been identified as at greater risk of experiencing issues with their mental health. The proposals at the site may have negative impacts in this regard (through the loss of open space) but could also have positive impacts (through the provision of good quality housing for those who need it).

### Health and well-being

- The % of people in Nailsea wards who say that they have good health is between 80.5 – 86.3%. This compares to 81.2% across North Somerset.
- The percentage of older people in Nailsea wards receiving adult social care services in the community or in residential or nursing homes is below the North Somerset average, with the exception that those receiving social care services in the community in Yeo ward is above average.
- The percentage of people reporting a limiting long-term illness or disability in Nailsea wards was lowest in Golden Valley ward at 12.1% and highest in Yeo ward at 22%. The figures for West End and Youngwood wards were 18.5% and 18.8% respectively. The North Somerset average was 19.1%.
- Figures are not available at ward level, however the ONS Integrated Household Survey indicates that figures for self-reported well-being in North Somerset are similar to the national averages. The figures have increased slightly during the pandemic period:
  - Around 6% report low satisfaction.
  - Around 12% report low happiness (slightly higher than the national average).
- Around 22% report high anxiety. In North Somerset 14.5% of adults have an unresolved record of depression on their patient record. Figures are not provided at ward level. The recorded prevalence of depression for those aged 18 and over has increased year on year nationally, regionally and locally.

- The 2011 census recorded 4.564 carers in North Somerset, equivalent to 2.25% of the population compared to a South West average of 2.37% and an England average of 2.37%.

#### Impacts:

The relatively good health of people in the Nailsea area is a mitigating factor when considering concerns expressed about the impacts on health of the loss of open space at this site. However around 1 in 5 report a limiting long-term illness or do not say that they have good health, and 1 in 7 may have an unresolved record of depression on their patient record. The provision of good quality and accessible housing would be beneficial in this regard.

#### Housing

- The average house price in Nailsea wards ranges from £274k in Yeo ward up to £413k in Golden Valley. This is between 8 – 12 times the constituency median average wage.
- Across North Somerset, there are 2,514 people on the Home Choice register, with 846 indicating they would like a property in Nailsea West End. This figure normally grows by approximately 100 each month, as around 140 new requests are received in comparison to around 40 – 45 being homed. The register is reviewed in January each year to ensure non-current requests are removed; this typically leads to the removal of about 100 applicants.
- 102 of those on the Homes Choice register require adapted properties, with 87 needing specific adaptations (figures specific for Nailsea West End are 23 and 22 respectively). The primary specific adaptation required is level access, to assist those with mobility difficulties.
- Overcrowding rates for the Nailsea wards are variable. The percentage of households living in overcrowded conditions based on overall room occupancy levels are 0.9% for Golden Valley, 1.3% for Youngwood, 3.8% for Yeo and 5.9% for West End. The North Somerset average is 4.6%.
- The percentage of households experiencing fuel poverty in 2018 was 4.3% in Golden Valley and between 6.3 – 6.8% for the other wards. The North Somerset average was 7.6%. It is likely given recent fuel price increases that this will have increased.

#### Potential impacts:

The data above shows significant housing need. The provision of affordable, accessible and energy efficient housing will assist in addressing these needs.

### **3.3 Are there any gaps in the data, for example across protected characteristics where information is limited or not available?**

The data sources provide limited information at ward level on ethnicity and in relation to mental health and well-being. Figures from North Somerset have been used as the nearest proxy.

### **3.4 How have we involved or considered the views of the people that could be affected?**

Public consultation on these proposals has taken place over a number of years:

- i. Planning policy consultations on the Sites and Allocations Plan (SAP), which led to the allocation of the site for residential development in the plan adopted in April 2018.
- ii. Two rounds of public consultation run by the Development Team in 2020 prior to the submission of a planning application. The first consultation was through a public event; the second, due to Covid, was carried out on line.
- iii. Statutory planning consultations in determining the application.
- iv. Public consultation on appropriation of the land, i.e. the change of use in the purpose for which the land is held.
- v. A Member Advisory Group comprising a mixture of Executive and local ward members was established to oversee the procurement process.

The consultation activity for (ii) included specific sessions with providers of affordable housing and with the Nailsea Disability Initiative with the aim of best understanding and responding to their needs. Informal advice was sought and received from the Council's former Access Officer for Disabled People during the process for appointing the design team, with a particular focus on ensuing full policy compliance in relation to accessible and adaptable homes.

### **3.5 What has this told us?**

Reports summarising the consultation responses are available as follows:

- Sites and Allocations Plan: <https://www.n-somerset.gov.uk/my-services/planning-building-control/planning-policy/sites-policies/sites-policies-plan-part-2-site-allocations-plan-examination>
- Development Team consultation and planning application consultations: <https://planning.n-somerset.gov.uk/online-applications/applicationDetails.do?activeTab=documents&keyVal=QFK EOMLPHBT00>
- Appropriation: Executive Member decision: <https://www.n-somerset.gov.uk/council-democracy/councillors-committees/decisions-meetings/executive-member-decisions/2021-executive-member-decisions/june-2021-executive-member-decisions>

Specifically in relation to potential equalities impacts, issues raised included:

- Significant concern over the physical and mental health impacts of the loss of green space.
- The importance of accessible footpath links across the site.
- The potentially negative impacts of construction works in terms of noise (creating anxiety and stress) and air quality (health impacts).
- Concerns about road safety, particularly for children and for older and less mobile people.
- Registered Providers emphasised the need for additional affordable housing across North Somerset.
- Discussions with the Disability Initiative highlighted the need for a holistic and well-thought through approach to accessibility both within homes and across the site, for example in relation to landscaping.
- Concerns that affordable housing should be accessed by people from the local area.

### **3.6 Are there any gaps in our consultation, what are our plans for the future?**

The selected developer (if approved) will be required to work closely with local residents and other members of the community to create good relationships and to minimise stress during the construction period. They are also required to take actions to support new residents in the creation of a positive and inclusive community within the new homes.

The developer will enter into an agreement with a Registered Provider (RP), who will take on the management of the affordable homes. They will consult with the RP in finalising the detail of the scheme to make sure it meets the needs of the future residents, in particular those with accessibility requirements.

## 4. Assessment of Impact

Will the proposal have a disproportionate impact on any of these groups?

H = High, M = Medium, L = Low, N = None | + = Positive, = = Neutral, - = Negative

	Impact level				Impact type			Summary of impact
	H	M	L	N	+	=	-	
Disabled people		X			Yes		Yes	See below
People from different ethnic groups			X				Yes	See below
Men or women (including pregnant women or those on maternity leave)			X			Yes		See below
Lesbian, gay or bisexual people			X				Yes	See below
People on a low income	X				Yes			See below
People in particular age groups		X			Yes		Yes	See below
People in particular faith groups				X				
People who are married or in a civil partnership				X				
Transgender people			X		Yes			See below
Other specific impacts: Parents Carers Young People Health & Wellbeing Community Homelessness / rough sleepers		X			Yes		Yes	See below

## **5. Explanation of customer impact**

### **a) Negative impacts:**

Change and reduction in open space could have negative impacts for those who benefit physically and mentally from the use of such space. Particular impacts identified are:

- i. Disabilities: open space has positive benefits for disabled people, in particular those suffering from mental health issues. Development proposals could also add to mental health stress and anxiety for some people.
- ii. Several of the groups identified as suffering potential negative effects above are because those people in those groups are known to have a higher prevalence of mental health issues than in other population groups. As with (i), this means that there could be negative impacts as a result of the development. The government's JSNA mental health kit identifies the following groups as at high risk of mental health problems (see <https://www.gov.uk/government/publications/better-mental-health-jsnatoolkit/3-understanding-people>):
  - Black and minority ethnic groups (BAME).
  - People living with physical disabilities.
  - People living with learning difficulties.
  - People with alcohol and/or drug dependence.
  - Prison population, offenders and victims of crime.
  - People who are lesbian, gay, bisexual or transgender.
  - Carers.
  - People living with sensory impairments.
  - Homeless people.
  - Refugees, asylum seekers and stateless persons.
- iii. People in particular age groups: the population of the surrounding area has a demographic with a relatively high proportion of older people. Consultation responses suggest that many enjoy the use of the open space and the peace and quiet it offers. These groups would experience a negative impact through the loss of open space.
- iv. Those who are pregnant, on maternity leave, parents, carers, and young people are also thought to be frequent users of the open space who may experience a negative impact if it is lost.
- v. In general, the open space offers health and wellbeing benefits and offers opportunity for positive community activity.
- vi. Concerns were expressed during consultations that construction and resident traffic could create road safety issues, in particular for children, older people and disabled people.

### **b) Positive impacts**

The proposed development offers a number of benefits of relevance:

- The provision of affordable housing, which will be available to those on a low income as well as those with specific needs including homelessness and rough sleepers.

This percentage of affordable housing has been increased from the level originally proposed in order to improve the positive impacts of the scheme. It is higher than the level required by current planning policy.

- 30% of all homes will meet M4(3) and M4(2) building regulations as “Accessible and adaptable buildings”. This exceeds the planning policy requirement of 17%. 55% of affordable homes will meet M4(3) and M4(2) standards which means they are fully suitable for wheelchair users. This exceeds the planning policy requirement of 10%. The availability of these homes offers significant benefits for disabled people and for older people who want to be able to move into an adaptable property.
- New and improved pedestrian routes through the site will be more suitable for people with mobility issues, increasing their access to the site and the adjacent bridleway.
- A number of the homes have been designed to be suitable for ‘downsizing’, targeted older people who may wish to stay in the area but who lack a suitable range of choice of properties.
- The housing mix is in line with local need as specified in the Local Plan. This includes a higher than normal proportion of smaller, two-bedroom homes which may be of benefit to younger people seeking to access the housing market.
- Other aspects of the proposals offer benefits for health & wellbeing and community:
  - Homes are proposed to meet Passivhaus standards which will lead to low energy bills, which are of benefit to those on low incomes in helping to avoid fuel poverty. Good insulation of homes can also bring health benefits.
  - Homes will exceed National Described Space Standards by a minimum of 10%.
  - The proposal is “landscape led” with a relatively high proportion of green space including communal gardens for some properties.

**Does this proposal have any potential Human Rights implications?** No

**Could this proposal have a cumulative impact with any other budget savings?** No

## **6. Action Plan**

The primary negative impact relates to the loss of open space, in particular the impacts on people within the groups identified in section (a) above.

There are potential negative impacts from the construction activity, which could cause stress and anxiety for some individuals or groups who are more vulnerable.

Concerns were expressed about road safety issues, in particular any increased risk to children, older people or disabled people.

<b>Action taken/to be taken</b>	<b>How will it be monitored?</b>
Delivery of landscape-led scheme maintaining a good proportion of green space and improved access routes, in particular to the bridleway.	Legal contracts between NSC and developer will not allow release of land until works are completed to required standards.

Consultation with appropriate representative groups to finalise details of landscape-led elements where appropriate.	Contracts include monitoring arrangements including appointment of Compliance Inspector.
Construction Management Plan to be shared with local residents to enable them to put forward suggestions.	Construction Management Plan is required to be approved and monitored by the Local Planning Authority.
Developer to sign up to Considerate Constructors scheme and to take steps to create positive relationships and minimise disruption to local community.	Considerate Constructors Scheme is a contractual requirement and will be monitored and enforced as above.
<p>Delivery of positive benefits of scheme, including but not limited to:</p> <ul style="list-style-type: none"> <li>- 40% affordable housing.</li> <li>- Adaptable and accessible homes.</li> <li>- Passivhaus standards.</li> <li>- Community development activities.</li> </ul>	<p>Legal contracts between NSC and developer will not allow release of land until works are completed to required standards.</p> <p>Contracts include monitoring arrangements including appointment of Compliance Inspector.</p>
Implementation of road safety measures identified by Local Highways and Planning Authorities, including through Road Safety Audits.	These measures will be approved and monitored by the Local Planning Authority.
Payment of S106 contribution for off-site highways mitigations.	

**If negative impacts remain, please provide an explanation below.**

Despite the above actions, there will remain some potentially negative impacts from the loss of open space and the implementation of development. These have been mitigated as described above and must be weighed against the positive benefits of the scheme. In particular the provision of good quality affordable and accessible/adaptable housing is expected to have a positive impact on the physical and mental health of the future occupants of those homes.