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New Homes Quality Board

Invitation to Tender

Innovation Partnership for the procurement of a New Homes Ombudsman Service

Initial Tender responses due no later than 17:00:00 hours on 12th July 2021

Final Tender responses due no later than 17:00:00 hours on 9th August 2021

The New Homes Quality Board
3rd Floor,
86-90 Paul Street,
London
EC2A 4NE

Section 1: Invitation Document

1 Introduction

- 1.1 By a Contract Notice placed in the Find a Tender Service (the **Contract Notice**), the New Homes Quality Board (the **NHQB**) (Registered Number: 131160638) invited expressions of interest from suitably qualified and experienced service providers in relation to entering into a contract (the **Contract**) to provide a New Homes Ombudsman Service (the **Project**) as further set out in the specification provided with this Invitation Document.
- 1.2 This is an Innovation Partnership procurement exercise conducted in accordance with the Public Contracts Regulations 2015 (SI 2015/102) (as amended) (the **Regulations**).
- 1.3 Interested bidders (**Applicants**) were required to express their interest in the Project by completing and returning to the NHQB a Selection Questionnaire (**SQ**). Applicants expressing an interest were required to satisfy minimum standards of financial standing and probity and to demonstrate their technical capacity and experience. Applicants who satisfied those minimum standards were then evaluated in accordance with the selection criteria set out in the SQ and the top three (3) highest scoring Applicants were invited to the next stage of this tender exercise.
- 1.4 The NHQB hereby invites your organisation and other interested parties (each a **Tenderer**) to submit a tender response (each a **Tender**) to enter into the Contract and deliver the Project, as further detailed in this Invitation Document, which comprises the following documents:
- i this Invitation Document (Section 1);
 - ii Instructions to Tenderers (Section 2); and
 - iii Tender Action Points (Section 3); and
 - iv Evaluation Criteria (Section 4); and
 - v Form of Tender (Annex 1); and
 - vi Confidentiality Certificate (Annex 2); and
 - vii Non-Collusion Certificate (Annex 3); and
 - viii the Specification (Annex 4); and
 - ix the Contract (Annex 5); and
 - x the Pricing Document (Annex 6).
- 1.5 Tenderers should read all the documents forming this Invitation Document carefully, in conjunction with the Contract Notice and ensure that they submit the following mandatory documents with their Tender:
- i Responses to the Tender Action Points; and
 - ii Completed Pricing Document; and

- iii Signed Form of Tender (Annex 1);
- iv Signed Confidentiality Certificate (Annex 2); and
- v Signed Non-Collusion Certificate (Annex 3).

1.6 All Tenderers are requested to acknowledge receipt of this Invitation Document immediately by communicating this by email to tender@nhqb.org.uk. The acknowledgement should state the following:

1.1.2 The Tenderer's willingness or otherwise to submit a Tender; and

1.1.3 The name of the Tenderer contact to whom all communications regarding this Invitation Document should be addressed.

If the Tenderer does not wish to, or is unable to tender, then these documents should be immediately deleted or destroyed.

1.7 Tenderers are instructed not to include in their response anything other than the documents requested in this Invitation Document. Marketing material will be discarded and will not be read.

2 To be considered, Tender Submissions must be received by the NHQB no later than **17:00:00 hours on Friday 27th August 2021** (the **Submission Deadline**) by email to tender@nhqb.org.uk, and otherwise in accordance with this Invitation Document.

3 **Introduction to the NHQB**

3.1 The New Homes Quality Board (NHQB), is a new independent body which will champion quality new homes and better consumer outcomes for buyers.

3.2 The NHQB aims to deliver a step change in how the house building industry operates and deals with customers.

3.3 The NHQB will oversee the introduction of a new industry code of practice, the New Homes Quality Code, and the appointment of a New Homes Ombudsman Service (NHOS).

3.4 The new arrangements will provide customers with more confidence in new build homes and access to fair and efficient redress. They will provide governments with the assurance that as they introduce policies to increase housing supply the industry will be delivering high standards of quality, service and customer satisfaction.

3.5 The new arrangements will cover the entire sales process from reservation of a new home, through to two years after occupation. They aim to plug the gaps in existing protections, in particular with regards to post occupation. Developers will be required to have effective complaints procedures in place and specified timelines in which they have to respond to buyers that raise complaints. If they do not adhere to these measures, buyers will be able to refer their complaint to the NHOS.

- 3.6 Home builders will be registered with the NHQB; registration will require adherence to the new Code; and compliance with the NHOS in the event a dispute cannot be resolved through a builder's own complaints processes.
- 3.7 The establishment of a NHOS is a move that has been committed to by Government, and was the number one recommendation made by the All-Party Parliamentary Group in its report (*Better redress for homebuyers – June 2018*) on the quality and redress issues experienced by customers of new build homes.
- 3.8 The UK Government is supportive of the voluntary proposal being developed and takes into account planned legislative developments, such as the draft Building Safety Bill (July 2020). The NHQB is in discussions with the devolved administrations in Scotland and Wales with a view to ultimately introducing the arrangements on a UK wide basis.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/906737/Draft_Building_Safety_Bill_Web_Accessible.pdf

- 3.9 Should the Building Safety Bill come into legislation as drafted, developers will be required to become, and remain, members of a NHOS. In advance of a legislative requirement, there are other reasons why builders will sign up to the voluntary arrangements ;
- 3.9.1 Delivery body Homes England – who are represented on the NHQB - have included the requirement for a developer to be part of a NHOS in the revised Help to Buy rules for the new scheme that comes in to operation in April 2021;
- 3.9.2 The NHQB is liaising with lenders/ warranty providers to make it a condition of mortgage/commercial lending that properties/developers to who money is lent / warranties are provided are registered members of the NHQB and covered by the NHOS. The lenders trade body UK Finance are represented on the NHQB; as are NHBC the UKs largest warranty provider
- 3.9.3 The NHQB is working with all trade bodies representing house builders to disseminate information to all developer members.

4 **Introduction to the Project**

- 4.1 The New Homes Quality Board (“NHQB”) will appoint a body as the New Homes Ombudsman Service in accordance with the requirements set out in the British and Irish Ombudsman Association criteria for the recognition of ombudsman offices <https://www.ombudsmanassociation.org/docs/OA-Rules-Schedule-1.pdf> and its Principles of Good Complaint Handling (and any amendments thereto) <https://www.ombudsmanassociation.org/docs/BIOAGoodComplaintHandling.pdf>.
- 4.2 The key Criteria for an Ombudsman service are:
- 4.2.1 Clarity of purpose;
- 4.2.2 Independence;
- 4.2.3 Fairness;
- 4.2.4 Effectiveness;

4.2.5 Openness and transparency;

4.2.6 Accountability;

4.2.7 Accessibility;

4.2.8 Flexibility;

4.2.9 Proportionality;

4.2.10 Efficiency; and

4.2.11 Quality outcomes.

4.3 The required Service Specification is set out in more detail in Annex 4 to this Invitation Document.

5 **The NHQB's requirement**

5.1 Tenderers are required to set out within their response to Tender Action Point 4 their plan for putting in place the necessary skills and experience for meeting the requirements by the commencement of the Contract (if they are not already embedded within the team). Failure to demonstrate that your organisation meets these combined key criteria will lead to an automatic fail in meeting the award criteria and your organisation will be rejected from the procurement.

5.2 In recognising that this is a new service the NHQB will require the appointed NHOS to work with it to develop and evolve the service under an innovation partnership approach, to ensure that it is meeting customer expectations and to ensure that the NHOS is able to function effectively and support the housebuilding industry to provide the best possible outcomes for consumers.

5.3 It is also important that the NHOS should over a period of 24 months assist the NHQB develop a charging and payment structure for complaint resolution so that the process becomes self-financing for this element of the investigation work of the NHOS will become self-funding from the charge on those being investigated after the initial 24 months other than for its back-office functions. The NHOS will work with the NHQB over the initial 24 months and thereafter to initially align its budgets against increased income from housebuilders for those investigations as investigative cases increase and thereafter to ensure efficiencies are delivered so as to align with a lean cost model expected by the NHQB.

5.4 For year one and year two of the Contract it is recognised that the volume and complexity of investigations is uncertain. In order to provide some level of certainty in terms of income, a minimum payment will be guaranteed for year one and year two of the Contract based on a pre-estimate of the average volume of investigations provided by the Successful Tenderer in its price submission for years one and two of the Contract.

5.5 The NHQB has estimated a baseline price of £500 per investigation, and Tenderers are required to submit a percentage uplift or decrease to this baseline price as part of their Tender. Tenderers will need to apply their own knowledge and experience to determine their uplift/decrease to the baseline price.

- 5.6 In year one, the Successful Tenderer will be paid on the basis of there being 500 investigations. As an example, if the Tenderer applied a 0% figure to the £500 base estimate this would result in a guaranteed payment of £250,000 for undertaking investigations in year 1 (one). This is a base payment but should the number of investigations exceed this estimated volume they will be paid at the per investigation level set out in the tender. For example if there were 600 investigations they would be paid $600 \times £500 (x0\%) = £300,000$.
- 5.7 It is anticipated that for year two of the Contract, the estimate of the volume of investigations will be 1,000, and it is the intention that a minimum payment will be made on the basis of 1,000 investigations. As per the example in section 5.6 if the Tenderer applied a 0% figure to the £500 cost of investigation the Tenderer will be paid a guaranteed payment of £500,000 for undertaking investigations.
- 5.8 Notwithstanding the above, the NHQB and the Successful Tenderer will work together to assess whether the proposed prices set out above are appropriate in light of the actual services delivered by the NHOS, and the parties agree that the pricing for year two may need to be increased/decreased subject to the number of investigations carried out during year one of the Contract. The Parties will work together to agree the minimum guaranteed payment for year 2 of the Contract no later than three (3) months before the first anniversary of the Contract.
- 5.9 Years three to five payment structure will be determined during January prior to year three and thereafter during January of each subsequent year. For example the payment structure for the year April 2024 – March 2025 will be agreed in January 2024 and so on.
- 5.10 The pricing document is split into two parts, the first for years one and two and the second part for years three, four and five.

6 **Form of Contract**

- 6.1 The proposed form of Contract is set out in Annex 5 to this Invitation Document.

7 **Communications Protocol**

- 7.1 Tenders (both Initial Tenders and Final Tenders) must be submitted by email to tender@nhqb.org.uk.
- 7.2 If there are any difficulties in communicating through the designated email address, Tenderers should contact **Paul Price** by email at paul.price@nhqb.org.uk. Otherwise, all questions and queries relating to this tender exercise should be submitted to the NHQB by email to info@nhqb.org.uk.
- 7.3 Any questions about this tender exercise should be submitted by email to info@nhqb.org.uk. Any communication or attempt to contact any member of the NHQB's staff, officers, and/or Board members other than in accordance with these Instructions may result in your organisation being disqualified from this tender exercise and not considered further. **Tenderers should note that this a different email address than that used for the submission of Tenders.**

7.4 If the NHQB considers any question or request for clarification to be of material significance to all Tenderers, both the query and response will be communicated to all Tenderers who have requested to participate.

8 Clarification questions

8.1 During the Tender period, a Tenderer is able to submit clarification questions by email to info@nhqb.org.uk. This should be used for all queries and requests for clarification regarding the procurement as it provides an effective and auditable trail. A Tenderer's queries will be secure and cannot be seen by any other Tenderers. The NHQB will publish the questions and the response, in a suitably anonymous form, via email to all Tenderers before the closing date for the receipt of Tenders.

8.2 The NHQB will endeavour to answer all clarification queries about the procurement provided that such queries are received by **17:00:00 hours on 5th July 2021**. Tenderers must clearly indicate, when submitting a question, which (if any) part of their question they view as confidential and applicable only to the Tenderer submitting the question. If the NHQB does not agree that the question is confidential and applicable only to the Tenderer, the Tenderer will be given the right to withdraw the question without it being answered. Otherwise, both the question and the NHQB's response will be circulated to all Tenderers.

8.3 Please note that any clarifications that attempt to renegotiate the terms of the Contract and/or change the risk profile between the contracting parties will not be responded to, other than clarifications about the interpretation of the Contract or corrections of typographical or other clear errors.

9 Submission of Tenders

9.1 Tenders must be submitted as set out in this Invitation Document and submitted by email to tender@nhqb.org.uk in accordance with the rules set out in this Invitation Document, including the Instructions to Tenderers set out in Section 2.

9.2 Initial Tenders are to be received no later than **17:00:00 hours on Monday 12th July 2021**.

9.3 Final Tenders are to be received no later than 17:00:00 hours on Monday 9th August 2021 (the **Tender Deadline**).

9.4 Tenderers are advised to complete their Tenders in advance of the deadline for receipt to allow time to request guidance where it is required. It is the responsibility of Tenderers to ensure they allow sufficient time for finalising their completed Tenders.

9.5 All Tenderers must submit a **Compliant Tender** for the Project.

9.6 A Compliant Tender is a Tender that is submitted by email to tender@nhqb.org.uk and is compliant with:

9.6.1 the rules of this Invitation Document, including the Instructions to Tenderers set out in Section 2; and

9.6.2 completed responses to all of the following mandatory documents:

- (a) **Response to Tender Action Points:** Tenderers are required to submit responses to the Tender Action Points set out in Section 2 of this Invitation Document; and
- (b) **Completed Pricing Document:** Tenderers are required to submit all the information required in the Pricing Document; and
- (c) **Signed Form of Tender:** Tenderers are required to complete and return the form of Tender at Annex 1 of this Invitation Document; and
- (d) **Signed Confidentiality Certificate:** Tenderers are required to complete and return the form of Confidentiality Certificate at Annex 2 of this Invitation Document; and
- (e) **Signed Non-Collusion Certificate:** Tenderers are required to complete and return the form at Annex 3 of this Invitation Document.

10 Remaining Stages in the Procurement

10.1 Review of Initial Tenders

- 10.1.1 On expiry of the deadline for receipt of Initial Tenders, the NHQB will review (but will not evaluate) the Tenders in accordance with the evaluation criteria set out in this Invitation Document.
- 10.1.2 Ahead of the negotiation of the Initial Tenders, the NHQB will provide feedback on the areas within each Tenderer's Initial Tender where it considers there to be areas which require improvement.

10.2 Negotiation

- 10.2.1 Pursuant to the rules of the Innovation Partnership, the NHQB shall negotiate with the Tenderers their Initial Tenders in order to improve their content.
- 10.2.2 The NHQB will issue a proposed agenda and Negotiation Protocol to shortlisted Tenderers at the same time they are invited to submit Initial Tenders.
- 10.2.3 The negotiation sessions shall be limited to the content of each organisation's Method Statement in order that they can improve on the proposed delivery of the NHOS, and on their proposed pricing.

10.3 Submission of Final Tenders

Following the conclusion of the negotiation stages, the NHQB will invite the Tenderers to submit Final Tenders taking into account the outcome of the negotiations.

10.4 Evaluation of Final Tenders

On expiry of the deadline for receipt of Final Tenders, the NHQB will assess whether Tenders received are Compliant Tenders (as defined in paragraph 9.6 above) and shall assess any Compliant Tenders received in accordance with the minimum requirements and evaluation criteria set out in Section 4 of this Invitation Document.

11 **Procurement Timetable**

11.1 The timetable for this Tender exercise is as follows:

Key Stage	Estimated / Actual Date
Contract Notice published to Find a Tender Service	Friday 21 st May 2021
Deadline for clarification questions in respect of Selection Questionnaire	17:00:00 hours on Monday 14 th June 2021
Deadline for receipt of Requests to Participate and Selection Questionnaires	17:00:00 hours on Monday 21 st June 2021
Evaluation of Selection Questionnaires	1 week
Regulation 55 letters issues to shortlisted and non-shortlisted Applicants	Monday 28 th June 2021
Dispatch of Invitation to Tender to shortlisted Applicants	Monday 28 th June 2021
Deadline for clarification questions in respect of ITT document	17:00:00 hours on Monday 5 th July 2021
Deadline for submission of Initial Tenders	17:00:00 hours on Monday 12 th July 2021
Review of Initial Tenders	Approximately 1 week
Negotiations on Initial Tenders	Week commencing Monday 19 th July 2021
Deadline for submission of Final Tenders	17:00:00 hours on Monday 9 th August 2021
Evaluation of Final Tenders	Approximately 2 weeks
Identification of proposed partner for innovation partnership	Monday 23 rd August 2021
Board approval of award decision	To be confirmed
Regulation 86 feedback letters issued to successful and unsuccessful Tenderers	Week commencing Monday 23 rd August 2021
Mobilisation and further development through the innovation partnership	September 2021

Key Stage	Estimated / Actual Date
Finalisation of Contract	September/October 2021
Publication of Contract Award Notice	Within 30 days of award of Contract

11.2 This timetable is subject to amendment by the NHQB at its sole discretion.

12 Future options

12.1 The NHQB is working closely with a wide range of parties, including Central and Devolved Governments and is aiming to provide an effective and comprehensive independent ombudsman service to fill current gaps in consumer redress in the 0-2 years period.

12.2 Notwithstanding the success of the new scheme the following could be possible:

12.2.1 a future government decides to implement a statutory ombudsman, including as part of a wider review of ombudsman services across the property and housing areas;

12.2.2 devolved administrations decide to implement their own schemes (although given the relative scale of housebuilding in England, this would be more likely to result in a geographical change than termination).

12.3 Therefore, we foresee that the most likely reason for early termination of the contract would be if this or a successive Government moves to put a statutory ombudsman service in place during the period of the contract. As such, there is no reason to expect the premature termination, apart from the grounds cited here, or failure to perform against agreed service standards. Service performance management is one of the key roles of the NHQB.

12.4 In the event that Government moves to put a statutory ombudsman service in place during the period of the contract the NHQB will work with Government to explore the option for novation or adoption of the NHOS contract so that the contractor becomes the statutory ombudsman. However, the contractor will recognise that the NHQB is unable to determine any decision of Government if such a service was to come into existence.

12.5 The NHOS will also need to work with the NHQB to explore options should the Government decide to novate or adopt the contract but one or both devolved administrations decide not to also take up this option. The NHQB is unable to determine if such a decision may arise but it is being raised in this document to alert any potential contractor as to this becoming a possibility.

Section 2: Instructions to Tenderers

Tenderers must submit a Tender in accordance with the following instructions (the **Instructions**). Tenders that do not comply with these Instructions in any particular way may be rejected by the NHQB at its sole discretion and the NHQB's decision in the matter shall be final.

1 Introduction

- 1.1 In accordance with the Innovation Partnership Procedure, Tenderers are invited to submit Tenders for the Project, as described in this Invitation Document. Words and expressions have the meanings used in this Invitation Document
- 1.2 All Tenders submitted must be Compliant Tenders as defined in paragraph 9.6 of Section 1 of this Invitation Document.
- 1.3 Tenders should be prepared under the same headings and in the same sequence as set out in this Invitation Document. Tenderers should include full details of their Tender in addition to the other information requested.
- 1.4 Tenderers are responsible for obtaining all information necessary for the preparation of their Tenders. All costs, expenses and liabilities incurred by any Tenderer in connection with the preparation and submission of a Tender or in connection with the execution of all and any Building Contract, are to be borne by that Tenderer. Neither the NHQB nor any of its representatives (including its officers, members, employees and advisors) shall, under any circumstances, be liable in any way to any Tenderer for any costs, expenses or losses incurred by any Tenderer or other person in relation to their participation in this tender exercise or otherwise.
- 1.5 The NHQB in no way warrants the information given to Tenderers by the NHQB and each Tenderer must satisfy itself of the accuracy of any information provided by the NHQB. Save in the case of fraud, under no circumstances will the NHQB, its officers, members, employees, agents or advisers accept any responsibility or liability whatsoever for any loss or damage of whatever kind and howsoever caused arising from or in consequence of the use by Tenderers of such information.
- 1.6 The fact that a Tenderer has been invited to submit a Tender does not necessarily mean that it has satisfied the NHQB regarding any matters raised in the SQ previously submitted. The NHQB makes no representation regarding any Tenderer's financial stability, technical competence or ability in any way to enter into the Contract and carry out the Project.
- 1.7 Tenderers' attention is drawn to the Contract provided with this ITT. It is essential that Tenderers are completely familiar with the contents of the Contract before compiling their Tender. Tenderers considering entering into a contractual relationship with the NHQB should make their own enquires and investigations of the NHQB's requirements beforehand. The subject matter of this Invitation Document shall only have contractual effect when it is contained in the express terms of an executed form of contract on such or such other agreement properly entered into and executed by the NHQB.

2 **Confidentiality**

- 2.1 Tenderers must treat all information supplied by the NHQB in connection with this tender exercise as confidential (and shall ensure that their employees, contractors, subcontractors, advisers, insurers and funders shall treat documentation supplied in relation to this tender exercise as confidential).
- 2.2 Tenderers shall not, without the prior written consent of the NHQB and subject at all times to paragraph 12 of these Instructions (Data Protection), at any time make use of such information for its own purposes or disclose such information to any person, except:
- 2.2.1 where the disclosure is required by law or any court, regulatory or government authority competent to require the same; or
 - 2.2.2 to the extent where such information is brought within the public domain otherwise than by the breach of this paragraph 2 by the relevant Tenderer; or
 - 2.2.3 to the extent that the information becomes available to a party otherwise than pursuant to this tender exercise; or
 - 2.2.4 where such information is disclosed for the purposes of obtaining sign-off from insurers and legal advisers on the Contract, or for obtaining sureties, guarantees or commitments from proposed sub-contractors or suppliers and other information required to be submitted with their Tender.
- 2.3 Tenderers must treat this Invitation Document (and all the documents forming part of or appended or scheduled to this Invitation Document) and all other information provided by or on behalf of the NHQB as private and confidential. No Tenderer should disclose that it has been invited to submit a Tender to the NHQB or release details of this Invitation Document (and all the documents forming part of or appended or scheduled to this Invitation Document) other than on a strictly confidential basis and to the extent strictly necessary to such parties as the Tenderer needs to consult in order to submit a Tender.
- 2.4 Tenderers shall not at any time (either during or after this tender exercise) release any information concerning this Invitation Document and/or their Tender and/or any related documents and/or discussion with the NHQB in this connection for publication in the press or on radio, television, screen or any other medium.
- 2.5 This Invitation Document is issued in confidence and remains the property of the NHQB. The copyright in this Invitation Document is vested in the NHQB and may not be reproduced, copied or stored on any medium without the prior consent of the NHQB except in relation to the preparation of a Tender.

3 **Copyright and intellectual property**

- 3.1 By submitting a Tender each Tenderer agrees and acknowledges that it shall have granted to the NHQB and its advisors for all purposes related to the Contract a non-exclusive, irrevocable, perpetual, royalty free licence to use, copy, modify, adapt and translate any drawings, specifications, materials, data and other information relating to any element of any solution proposed by the Tenderer during this tender exercise (together with the right to grant sub-licences).

3.2 Each Tenderer warrants to the NHQB that no document that it prepares as part of its Delivery Proposals shall infringe any intellectual property rights (as may be defined in the Contract).

3.3 Each Tenderer undertakes to indemnify the NHQB and to keep the NHQB indemnified against all actions, claims, demands, liability, proceedings, damages, costs, charges and expenses whatsoever arising out of or in connection with any breach of the provisions of this paragraph 3 (Intellectual Property).

4 **Conflicts of interest**

4.1 The NHQB may exclude any Tenderer where there is a conflict of interest or a reasonable suspicion of a conflict of interest which cannot be effectively remedied. This includes (but is not limited to):

4.1.1 a "conflict of interest" as defined in Regulation 24 of the Regulations; and/or

4.1.2 any situation where relevant staff members have, directly or indirectly, a financial, economic or other personal interest which might be perceived to compromise their impartiality and independence in the context of this tender exercise.

4.2 Where there is any indication that a conflict of interest exists or may arise then it is the responsibility of the Tenderer to inform the NHQB and provide details of the conflict. Please note that routine pre-market engagement carried out by the NHQB should not represent a conflict of interest for a Tenderer, provided that the engagement has been carried out in a transparent manner.

5 **Consortia**

5.1 Where a consortium is proposed, all members of the consortium will be required to provide the information required in all sections of this Invitation Document as part of a single composite response. Responses must enable the NHQB to assess the overall provision of the works and services proposed.

5.2 Where the proposed lead consortium member is a special purpose vehicle or holding company, information should be provided of the extent to which it will call upon the resources and expertise of its members.

5.3 Where a consortium or other grouping of economic operators is proposed each member of the consortium shall provide a written undertaking addressed to the NHQB that it, together with the other members, shall make available to the group the resources necessary to perform the Contract.

5.4 The NHQB recognises that arrangements in relation to consortia may be subject to future change. Tenderers are directed to paragraph 6 of these Instructions for further information on changes to consortia. Tenderers should therefore respond in the light of such arrangements as are currently envisaged. Tenderers are reminded that the NHQB must be immediately notified of any changes, or proposed changes, in relation to the bidding model so that a further assessment can be carried out in relation to the new information provided. Any change in consortium membership may lead to subsequent disqualification from this tender exercise. The NHQB also reserves the right to deselect any Tender submitted by a

consortium prior to any award of the Contract, based on an assessment of any updated information supplied.

5.5 The NHQB will only enter into the Contract with a consortium which is a separate legal entity from those of its members. Any unincorporated group which is successful will be required to adopt a separate legal entity prior to, and as a condition to, entry into any Building Contract.

5.6 Where a consortium is proposing to create a separate legal entity, such as a Special Purpose Vehicle, it should provide details of the actual or proposed percentage shareholding of the constituent members within the new legal entity.

6 **Change of Consortium members or Tender information**

6.1 The composition of any Tenderer (including consortium members) shall not be changed except with the NHQB's prior written consent. Tenderers should also notify the NHQB of any changes to the identity of any significant sub-contractor.

6.2 the NHQB reserves the right to determine whether or not to continue with the assessment of a Tenderer's Tender, whether or not to allow a Tenderer to continue to participate in this tender exercise and/or whether or not to enter into any agreement in respect of the Contract with a Tenderer where there has been a change (direct or indirect) in the composition or ownership of that Tenderer or a change in the principal relationships between the Tenderer's consortium members.

6.3 If there has been a change to a Tenderer's group members, or a change to the identity of an essential sub-contractor or any other sub-contractor which the NHQB reasonably believes could significantly impact on the delivery of the Project, the NHQB reserves the right (without being obliged) to require the Tenderer to complete a new response to any Tender Action Points or Pricing Document for assessment in accordance with the criteria used by the NHQB in relation to the assessment of the Tenderer's original response.

6.4 Tenderers are required to inform the NHQB immediately of any changes to the information provided in any part of their Tender response or this Invitation Document (including but not limited to information concerning members and structure of a consortium arrangement).

6.5 Any new information that is provided to the NHQB in accordance with this requirement may be evaluated by the NHQB in accordance with the same assessment criteria used to evaluate the original Tender responses or shortlisting stage as appropriate. the NHQB reserves the right to withdraw the qualification of a Tenderer at any time following the assessment of new information where the conclusion of such assessment is that, had the NHQB been aware of the new information at the time of evaluating the Tenderer's response, the Tenderer would not have been qualified for any Stage or Stages of the Tender assessment (as set out in Section 4 of this Invitation Document).

6.6 the NHQB reserves the right to withdraw the qualification of a Tenderer at any time following the assessment of new information where the conclusion of such assessment is that, had the NHQB been aware of the new information at the time of evaluating the Tenderer's initial response to the SQ, the Tenderer would not have been qualified to submit a Tender.

7 **Sub-contracting**

- 7.1 Where the Tenderer proposes to use one or more sub-contractors to deliver some or all of the Projects, the Tenderer should provide details of the proposed bidding model that includes members of the supply chain, the percentage of work being delivered by each sub-contractor and the key contract deliverables each sub-contractor will be responsible for.
- 7.2 The NHQB recognises that arrangements in relation to sub-contracting may be subject to future change, and may not be finalised until a later date. However, Tenderers should be aware that where information provided to the NHQB indicates that sub-contractors are to play a significant role in delivering key contract requirements, any changes to those sub-contracting arrangements may affect the ability of the Tenderer to proceed with this tender exercise or to provide the supplies and/or Works required. Tenderers should therefore notify the NHQB immediately of any change in the proposed sub-contractor arrangements. The NHQB reserves the right to deselect any Tenderer prior to any award of contract, based on an assessment of the updated information.

8 **Submission of Tenders**

- 8.1 Tenders must be submitted as set out in this Invitation Document and returned to the NHQB by email to tender@nhqb.org.uk in the manner set out in this Invitation Document (and including these Instructions) and are to be received no later than the Tender Deadline. **Tenderers should note that this is a different email address than that used for submitting clarification queries.**
- 8.2 No unauthorised alteration or addition (save for the inclusion of the relevant information) should be made to the Tender or to any part of this Invitation Document. Tenders must not be qualified in any way apart from as allowed under this Invitation Document and must be submitted strictly in accordance with this Invitation Document, including these Instructions. Tenders must not be accompanied by any covering letter or any statement that could be construed as rendering the Tender equivocal and/or placing it on a different footing from other Tenders.
- 8.3 The NHQB reserves the right to retain all Tenders submitted by Tenderers throughout the period that their Tenders remain valid and open for acceptance and for six (6) months after that date.
- 8.4 Any failure to comply with these requirements of anonymity for the submission of the Tender and other requirements regarding time of receipt and submission of signed documents may cause the Tender to be disallowed. In such cases, the decision will be referred to the NHQB as the final arbiter.
- 8.5 Any Tenders received after the Tender Deadline, may not be considered for acceptance by the NHQB (at its sole discretion, acting reasonably).
- 8.6 Tenders should be submitted in Arial font size 12 with 1.5 line spacing. Tender responses should be prepared under the same headings and in the same sequence as set out in the Tender Action Points. Any required supporting information should be presented in the same order as, and should be referenced to, the relevant question. Permitted appended documents should be numbered and referenced clearly and listed as part of each Tender submission.

- 8.7 All questions should be answered in English and all supporting documentation should be in English.
- 8.8 Any page or word limits for responding to any Tender Action Points must be complied with. Any part of a response which exceeds any page or word limit shall be disregarded and not assessed.
- 8.9 The Tender must be submitted with the authorisation:
- 8.9.1 where the Tenderer is an individual, by that individual; or
 - 8.9.2 where the Tenderer is a partnership, by all the partners or by at least two (2) partners signing under a power of attorney (a copy of which is to be provided with the Tender on behalf of the other partners); or
 - 8.9.3 where the Tenderer is a company, by either one (1) director (if the company's rules allow) or two (2) directors or by a director and the company secretary, such persons being duly authorised for that purpose.
- 8.10 Each Tenderer shall produce forthwith upon request by the NHQB documentary evidence of any authorisation referred to in paragraph 8.9 of these Instructions.
- 8.11 Tenderers should note that any Contracts and their formation, interpretation and performance shall be subject to and interpreted in accordance with the laws of England.
- 8.12 Tenderers should include in their Tender all information required by the Pricing Document and should include in the proposals all information required by this Invitation Document and all costs necessary to undertake the Programme safely and in compliance with all statutory provisions and other rules or regulations relating to the Contracts.
- 8.13 The Invitation Document and all other documents provided to Tenderers will remain the property of the NHQB. Tenderers are advised to retain for themselves details of their submissions. The NHQB reserves the right to make a charge if a Tenderer requests a copy of its submitted tender.
- 8.14 Unless specifically stated otherwise, any information provided in response to a question, along with any promises, commitments, offers, etc. contained within Tenderers' responses will be deemed included in the Tenderers' submitted prices.

9 **Rejection of Tenderers**

- 9.1 the NHQB shall not consider for acceptance and may reject any Tender or other documents submitted by any Tenderer in respect of which the Tenderer:
- 9.1.1 fixes or adjusts the amount, prices, charges and rates shown:
 - (a) by or in connection with any agreement or arrangement with any other person; or
 - (b) by reference to any other Tender from any other Tenderer; or
 - 9.1.2 communicates to any person other than the NHQB any information except in accordance with paragraph 2 of these Instructions (Confidentiality); or

- 9.1.3 enters into any agreement or arrangement with any other person that such other person shall refrain from submitting a Tender or shall limit or restrict the amounts, prices, charges, and rates to be shown by any other Tenderer in its Tender and other documents; or
 - 9.1.4 offers or agrees to pay or give, or does pay or give, any sum of money, inducement or valuable consideration, directly or indirectly, to any person for doing, or having done, or causing, or having caused, to be done in relation to any other Tenderer, or any other proposed Tender, or other documents, any act or omission; or
 - 9.1.5 has directly or indirectly canvassed any member or official of the NHQB concerning the acceptance of any Tender or has directly or indirectly obtained or attempted to obtain information from any such member or official concerning any other Tender submitted by any other Tenderer; or
 - 9.1.6 fails to use the English language; or
 - 9.1.7 fails to state monetary amounts in Pounds Sterling; or
 - 9.1.8 causes the NHQB to breach any of its statutory or regulatory obligations; or
 - 9.1.9 submits an abnormally low bid; or
 - 9.1.10 fails to submit a complete or Compliant Tender.
- 9.2 Any Tender Submissions received after the Submission Deadline, may not be considered for acceptance by the NHQB (at its sole discretion).
- 9.3 Further to the above, the NHQB may in its absolute discretion refrain from considering a Tender if either:
- 9.3.1 it does not comply in any respect with the requirements of this Invitation Document; or
 - 9.3.2 it contains any significant omissions or qualifications.
- 9.4 Any such non-acceptance or rejection by the NHQB shall be without prejudice to any other civil remedies available to the NHQB in respect thereof or to any criminal liability that such conduct by a Tenderer may attract.
- 9.5 Before rejecting a Tender for being a Non-Compliant Tender, the NHQB or its advisers reserves the right to clarify with a Tenderer any aspects which prevent a Tender from being a Compliant Tender but is under no obligation to do so.
- 10 **Evaluation of Tenders**
- 10.1 Where a Tenderer has submitted a Compliant Tender, the NHQB and its advisers will evaluate each Compliant Tender received in accordance with the evaluation criteria set out in Section 4 of this Invitation Document to establish the most economically advantageous Tender.

- 10.2 The NHQB may ask for further information at any point up to the entry into the Contract with a Tenderer, to satisfy itself that the Tenderer continues to qualify against the minimum standards and requirements set out in this Invitation Document at any stage of this tender exercise. Failure to provide any such information as required by this Invitation Document (including at contract award stage) may lead to a Tenderer being disqualified from further consideration.
- 10.3 The NHQB reserves the right to disqualify any Tenderer which no longer qualifies if it becomes aware that the Tenderer did not qualify against the minimum standards and requirements at the time their Tender was submitted or if it no longer qualifies at any point before the formal entry into contract for the Project.
- 10.4 In the event that none of the Tenders received are deemed satisfactory, the NHQB reserves the right to consider alternative procurement options, including collapsing this procurement and negotiating directly with a service provider or service providers.
- 10.5 In regard to this tender exercise, the NHQB reserves the right at any time at its absolute discretion:
- 10.5.1 to make whatever changes it sees fit to the content, process, timing and structure of this tender exercise to issue amendments or modifications to this Invitation Document; and/or
 - 10.5.2 to accept or not accept any Tender submitted pursuant to this Invitation Document; and/or
 - 10.5.3 not to award a Contract and to withdraw from, suspend or terminate this tender exercise, any part of this tender exercise and/or this Invitation Document and to procure the Project by any alternative means within the legal requirements which the NHQB is subject to (including by way of undertaking a new procurement process).
- 10.6 The NHQB may without limitation undertake site visits, seek references, require presentations to be given and undertake interviews as part of the evaluation process. All information and documents submitted by Tenderers by the date for submission of Tenders will be considered, as well as any other information that the NHQB requires to be submitted.
- 10.7 Tenderers should note that:
- 10.7.1 any information provided by or on behalf of the NHQB including, without limitation are a general outline, for the guidance of the Tenderers and do not constitute the whole or any part of an offer or contract; and
 - 10.7.2 neither the NHQB nor their professional advisers guarantee the accuracy of any description, dimensions, references to condition, necessary permissions for use and occupation and other details forming part of or appended to this Invitation Document and Tenderers must not rely on them as statements of fact or representations and must satisfy themselves as to their accuracy; and
 - 10.7.3 neither the NHQB nor their professional advisers will be liable, in negligence or otherwise, for any loss arising from the use of the relevant information.

10.8 the NHQB gives notice that:

10.8.1 this Invitation Document is set out as a general outline only for the guidance of intended Tenderers and does not constitute, nor constitute any part of, an offer or contract; and

10.8.2 all descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given without responsibility and any intending Tenderer should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the correctness of each of them.

11 **Tenderers' Warranties**

11.1 In submitting any Tender, each Tenderer warrants, represents and undertakes to the NHQB that:

11.1.1 it has not done any of the acts or matters referred to in paragraph 9.1.1 to 9.1.9 (inclusive) of these Instructions and has complied in all respects with these Instructions; and

11.1.2 all information, representations and other matters of fact communicated (whether in writing or otherwise) to the NHQB by the Tenderer, its employees or agents in connection with or arising out of the Tender are true, complete and accurate in all respects; and

11.1.3 it has made its own investigations and research and has satisfied itself in respect of all matters (whether actual or contingent) relating to the Tender; and

11.1.4 it has satisfied itself as to the correctness and sufficiency of the information it has inserted in the Pricing Document; and

11.1.5 it has full power and authority to enter into the Contract and undertake the Project; and

11.1.6 it is of sound financial standing and has and will have sufficient premises, working capital, skilled personnel, vehicles, plant, goods and materials and other resources (as applicable) available to it to carry out the Project; and

11.1.7 it will obtain all necessary consents, licences and permissions to enable it to carry out the Project and will from time to time obtain and maintain all further and other necessary consents, licences and permissions to enable it to continue to do so; and

11.1.8 it will not at any time claim or seek to enforce any lien, charge, or other encumbrances over property of whatever nature owned by the NHQB and that is for the time being in the possession of the Tenderer.

12 **Data Protection**

12.1 For the purposes of this Invitation Document, the terms **Data Controller**, **Data Subject**, **Data Processor**, **Personal Data**, **Process** and **Processing** shall have the meaning prescribed under the General Data Protection Regulation 2016/679 (**GDPR**). References

in this Invitation Document to the **Data Protection Legislation** shall be references to the GDPR or such other domestic legislation that supplements and / or implements the GDPR, along with any associated guidance and Codes of Practice as issued from time to time.

- 12.2 Tenderers shall at all times during this tender exercise comply with the provisions and obligations imposed by the Data Protection Legislation and shall assist and/or co-operate with the NHQB in respect of the NHQB's compliance with Data Protection Legislation, where appropriate, and shall indemnify the NHQB and keep the NHQB indemnified against all actions, claims, demands, proceedings, damages, costs, charges and expenses (including reasonable legal expenses) whatsoever in respect of any breach of this paragraph 12 which causes the NHQB to be in receipt of any actions, claims, demands, proceedings and/or incur any damages costs, charges and/or expenses (including reasonable legal expenses).
- 12.3 Tenderers warrant and represent that they each have in place appropriate technical and organisational measures to protect the Personal Data against accidental or unlawful destruction or accidental loss, alteration, unauthorised disclosure or access, and which provide a level of security appropriate to the risk represented by the processing and the nature of the data to be protected.
- 12.4 Tenderers shall only Process Personal Data to the extent necessary for the preparation of their Tender.
- 12.5 In the event that a Tenderer is under a legal obligation to process the Personal Data outside of the terms of this Invitation Document, it shall notify the NHQB of that legal requirement prior to processing unless the law prohibits this on important grounds of public interest.
- 12.6 Tenderers shall notify the NHQB without undue delay on becoming aware of any breach of the Data Protection Legislation in relation to the Personal Data Processed for the purposes of their Tender.
- 12.7 Tenderers shall notify the NHQB within two (2) Working Days if it receives:
- 12.7.1 a request from a Data Subject to exercise the Data Subject's Rights; or
- 12.7.2 a complaint or request relating to the NHQB's obligations under the Data Protection Legislation
- and take no further steps in relation to the same until such time that it receives written instructions to do so from the NHQB.
- 12.8 Tenderers shall also comply fully with all applicable guidelines and codes of practice issued by the Information Commissioner in the UK from time to time.
- 12.9 Tenderers will upon submission of their Tender, the withdrawal of that Tenderer from this tender exercise or at such time that a Tenderer no longer requires access to the NHQB's Personal Data for the purposes of submitting a Tender and at the request of the NHQB either return to the NHQB or destroy the Personal Data Processed under this Invitation Document (and all copies of such data) in Tenderers' possession or other as directed by the NHQB.

12.10 The provision of this paragraph 12 shall apply during the continuance of this Invitation Document and indefinitely after its termination.

Section 3: Compliance Certificates and Tender Action Points

1 Confidentiality and Non-Collusion Certificates

- 1.1 In the course of taking part in this procurement Tenderers will receive and be given access to confidential information with regard to the NHQB and its business operations.

Tender Action Point 1

Tenderers are required to complete and sign:

- (a) **the Form of Tender at Annex 1 of this Invitation Document; and**
- (b) **the Confidentiality Certificate at Annex 2 of this Invitation Document; and**
- (c) **the Non-Collusion Certificate at Annex 3 of this Invitation Document;**

and return these with their Tender response.

2 Insurance and security

- 2.1 Where a selected service provider is a subsidiary of another company, the NHQB will require a parent company guarantee (in the form included in the Contract) executed as a deed by the selected service provider's ultimate parent company in respect of the service provider's performance under the Contract.

- 2.2 The selected service provider will be required to have at the point of contract:

- 2.2.1 public liability insurance of not less than ten million (£10,000,000) for each and every event with the number of events unlimited;
- 2.2.2 employer's liability insurance of not less than five million (£5,000,000) for each and every claim in respect of all customary risks; and
- 2.2.3 professional indemnity insurance of not less than five (£5,000,000) for the duration of the Project and to maintain such insurance for a period ending twelve (12) years following completion of the Project.

Tender Action Point 2

Tenderers must confirm:

- a) **where relevant, your organisation will procure that your ultimate parent company will enter into a parent company guarantee in the form set out in the Contract (organisations that do not have an ultimate parent company should answer "Not applicable");**
- b) **the availability of the insurances in the cover stated in paragraph 2.2 above.**

3 Method statement

- 3.1 Tenderers are required to provide a method statement as part of their Tender response, setting out how they intend to provide the required services in accordance with the Specification set out in Annex 4 to this Invitation Document.

Tender Action Point 3

Tenderers are required to provide a detailed Method Statement of how your organisation proposes to undertake the Project in accordance with the Specification and the Contract. The Method Statement should address:

- a) **Demonstrate how your organisation will develop or employ/contract or obtain the necessary property-based experience by the commencement of the Contract (max word count 2,000 words);**
- b) **Outline how your organisation will undertake the role of the Ombudsman having reference to the requirements set out in the Specification (max word count 2,000 words);**
- c) **Explain how your organisation will ensure that the Innovation Partnership arrangements will evolve the Service in conjunction with the NHQB (max word count 1,000 words). Tenderers are also required to provide a completed Innovation Partnerships timetable with their response to this Tender Action Point in the form set out at Annex 7 to this ITT setting out the Innovation Partnerships timetable between the appointment of the Preferred Bidder and the finalisation of the Contract (not included in the word count for this question);**
- d) **Set out how your organisation will maintain its independence, openness and transparency, supported by examples of where these key criteria have been evident in your organisation's work (max word count 1,000 words);**
- e) **Outline how you would promote, grow and embed confidence in the role of the new Ombudsman service, ensuring visibility across the sector (max word count 1,000 words);**
- f) **Set out how your organisation will ensure that it is visibly transparent and accountable to all stakeholders, and how it will be providing Services that are value for money (max word count 1,000 words).**

Tenderers should identify any anticipated risks and/or constraints in delivering the outputs required and outline their proposed solution(s) to mitigate these factors. Any further general measures identified that may assist in achieving the objectives of this work should be identified separately.

4 **Delivery Team**

4.1 The service provider will be required to engage an appropriately experienced and qualified Delivery Team in order to undertake the required services and fully discharge all obligations under the Contract.

4.2 For the purposes of this Tender Action Point 4 references to "competence" relate to the skills, knowledge, experience and behaviours of an individual.

Tender Action Point 4

Tenderers should provide:

- a) **Provide details of your organisation's proposed professional and technical Delivery Team to deliver the Project, including relevant experience and CVs where necessary. Your response should highlight which works and services are being undertaken by directly employed employees of your organisation and which are likely to be undertaken by sub-contractors. Your response should set out information regarding the knowledge, skills and experience of your organisation's Senior Management Team, and the proposed quality control and project management arrangements; and**
- b) **a proposed organisational structure identifying your organisation's internal reporting structures and engagement with your organisation's senior management team; and**
- c) **details of how your organisation evaluates the competence of the Delivery Team (excluding any sub-contractors), and details of the steps you will take to ensure ongoing competence to undertake their roles and responsibilities for the Project.**

Max word count: 4,000 words (excluding any diagrams and CVs)

5 **Pricing**

5.1 The Pricing Document indicates the approach to be taken regarding pricing for the Project as set out in the Specification.

5.2 As set out in these Instructions to Tenderers, it is intended that there will be a guaranteed minimum contract price for year one and for year two of the Contract. The contract price for years 3 to 5 will be established during the first two years of the Contract based on an open book analysis of the actual costs involved in delivering the NHOS.

Tender Action Point 5

Tenderers are required to complete the Pricing Document and return them in accordance with the Form of Tender.

6 **Evaluation**

The NHQB will evaluate Tenders received to establish the most economically advantageous Tender in terms of the evaluation criteria as set out in Section 4 of this Invitation Document.

Section 4: Evaluation Methodology

The NHQB will conduct a qualitative and financial evaluation of the Final Tenders received and the Contract will be awarded on the basis of the most economically advantageous tender and in accordance with the methodology set out in this Section 4.

1 The Evaluation team

An evaluation team will undertake a comprehensive, systematic and consistent evaluation of each Final Tender. The evaluation team will comprise officers or representatives of the NHQB and their consultants.

Tenderers are to inform the NHQB before the opening of Final Tenderers in the event that any member of the evaluation panel presents a conflict of interest.

2 General information on the evaluation process

Tenders will be subject to a four-stage evaluation process:

- Stage 1 – Initial screening assessment; then
- Stage 2 – Evaluation of responses to Tender Action Points; then
- Stage 3 – Evaluation of Pricing Document; then
- Stage 4 – Identification of Innovation Partner.

3 Stage 1 – Initial screening assessment

Final Tenders will be subject to an initial screening assessment to confirm:

- (d) the Final Tender has been submitted on time; and
- (e) the Final Tender is a Compliant Tender as set out at paragraph 9.6 of Section 1 of this Invitation Document); and
- (f) the Final Tender should not be rejected for breach of any of the grounds set out in this Invitation Document; and
- (g) the Tenderer has not contravened any of the terms and conditions of this tender exercise.

Final Tenders that are not substantially complete or which are non-compliant with the requirements of the Invitation Documents may be rejected at this stage.

4 Stages 2 and 3 – Evaluation of Tender Action Points and Pricing Document

4.1 Final Tenders that successfully pass Stage 1 will be subject to a detailed evaluation in accordance with the evaluation criteria and weightings set out below for Stages 2 and 3.

4.2 The Final Tender which achieves the best overall score will be identified as the Partner to take forward the innovation partnership. A total of 100 marks are available. The Final

Tenders will be assessed according to the criteria set out below and in proportion to the following weightings:

4.2.1 **Stage 2 – Evaluation of Tender Action Points – 80%**

80% of the marks available will be allocated to the responses to the Tender Action Points.

4.2.2 **Stage 3 - Price – 20%**

20% of the marks available will be allocated according to the prices and rates indicated in the Pricing Document.

4.3 **Stage 2 – Evaluation of Tender Action Points**

4.3.1 Compliance with the evaluation criteria for the Tender Action Points summarised in Table 1 below will be evaluated first and marked on an 'information only' basis or a Pass or Fail basis, as indicated in the 'Total Weighted Marks' column.

4.3.2 The Final Tender will be scored according to the evaluation criteria noted in Table 1. Each of the questions will be marked out of five (5) using the scoring scale set out in Table 2 below. Each member of the evaluation team will mark individually and allocate provisional scores. These provisional scores will be subject to moderation in discussion with the entire evaluation team to reach a consensus score. The agreed scores will then be weighted in accordance with the weightings set out in Table 1.

4.3.3 All weightings, including sub-criteria, are based on a percentage of the total marks available in respect of Quality. Once each mark has been weighted in accordance with the percentage weightings set out in Table 1, the weighted marks will be added together to identify the total mark in respect of Quality for that Final Tender.

4.3.4 Each Tenderer's scores will be added together to give a total score out of 80 (the **Total Quality Score**). Each Tenderer's Total Quality Score will be converted to a percentage score out of 80. (For example, a Tender scoring 80 marks will be weighted to 80% (i.e. 100% of the marks available for Quality).

4.3.5 Please note that the NHQB reserves the right to disqualify any Tenderer from this tender exercise who scores a 0 (Fail) score on any Tender Action Point in this ITT.

4.4 **Stage 3 – Evaluation of Pricing Document**

4.4.1 Following completion of Stage 2, Final Tenders will be evaluated under Stage 3 for the remaining 20% on the prices submitted in the Pricing Document. The Pricing Document set out in Annex 6 is to be completed by Tenderers.

4.4.2 The price to be evaluated is the Tenderer's total overall price for years one and two of the Contract (the **Price**) as set out in the Pricing Document.

4.4.3 The Price is based on the Tenderer's financial submission and includes the Tenderer's investigation price (which is calculated as the Tenderer's adjustment to the base price per investigation of £500, multiplied by the assumed number of investigations being 500 in year one, and 1000 in year two). For example:

- (a) 0% adjustment to the base price of £500 gives an investigation price for years one and two of £750,000 (£500 x 1500 investigations).
- (b) -10% adjustment to the base price (£450) gives an investigation price for years one and two of £675,000 (£450 x 1500 investigations).

4.4.4 The lowest tendered Price (the **Lowest Tender Sum**) will then receive 100% of the available price scores (i.e. 20% of the overall score).

4.4.5 All other tender Prices will be pro-rata scored based on their relative percentage to the lowest tendered score, as calculated below:

- (a) Lowest Tender Sum divided by the Tenderer's Price = Tenderer's % Adjustment; **then**
- (b) 20 x Tenderer's % Adjustment = Tenderer's Price Score

4.4.6 By way of example, where there are 3 Tenderers who submit Prices as follows:

Tenderer A	£600,000
Tenderer B	£625,000
Tenderer C	£650,000

4.4.7 Tenderer A is the Lowest Tender Price and will receive 100% (20 marks).

4.4.8 Tenderer B's Price would be assessed as follows:

- (a) (£600,000 **divided by** £625,000) = 0.96; **then**
- (b) 20 x Tender B's % Adjustment =
20 x 0.96% = 19.2 (**Tenderer B's Price Score**).

4.4.9 Tenderer C's Price would be assessed as follows:

- (a) (£600,000 **divided by** £650,000) = 0.92307692; **then**
- (b) 20 x Tenderer C's % Adjustment =
20 x 0.92307692 = 18.46 (rounded to 2 decimal places) (**Tenderer C's Price Score**).

4.4.10 If any aspect of a price submission is deemed by the NHQB to be abnormally low, the NHQB may, at its discretion, reject that offer but only after seeking

clarification in accordance with Regulation 69 of the Public Contract Regulations 2015.

5 Stage 4 – Final decision and formal approval

- 5.1 Scores for all stages of the tender evaluation will be added together to produce a final ranking of Tenderers. The Tenderer with the highest overall score will be recommended to the Board to take forward as the partner in the innovation partnership.
- 5.2 Following the NHQB's formal approval, the NHQB intends to enter into the Contract with the selected Tenderer in order to deliver the NHOS.

6 General Comments

- 6.1 Responses will be reviewed by teams of officers of the NHQB and their legal and technical advisers.
- 6.2 Where a question is marked "information" responses will be considered in as far as they relate to the circumstances set out in Regulation 57 of the Regulations and/or as verification of any answers provided in relation to other questions as part of this document.
- 6.3 the NHQB reserves the right to revise the award decision in the following limited circumstances:
 - 6.3.1 The selected Tenderer does not satisfy any evaluation criteria for the SQ at the point of contract award; or
 - 6.3.2 The selected Tenderer presents a reasonable risk of bringing the NHQB's identifiable and well-established reputation and profile into disrepute or damaging the same; or
 - 6.3.3 The selected Tenderer seeks to amend its Tender and the NHQB does not agree to such changes; or
 - 6.3.4 The selected Tenderer does not enter into the Contract in a timeous manner; or
 - 6.3.5 The selected Tenderer declines to enter into the Contract or decides to remove itself from this tender exercise.
- 6.4 In the event that any of the circumstances described in paragraph 6.3 arise, the NHQB will seek to appoint the next most economically advantageous Tenderer as the partner to take the innovation partnership forward. Such award will be subject to the same process as set out above.

Table 1 – Tender Action Points Scoring Approach

Tender Action Point	Quality Criteria	Description	Total Marks Available	Weighting/ Grade
1	Confidentiality and Non-Collusion Certificates	<p>Tenderers are required to return signed copies of:</p> <ul style="list-style-type: none"> (a) the Form of Tender; and (b) the Confidentiality Certificate; and (c) the Non-Collusion Certificate <p>Failure to return signed versions of either or both Certificates will result in a "Fail" score being awarded.</p>	0	Pass/Fail
2	Insurance and Security	<ul style="list-style-type: none"> (d) Confirm where relevant, your organisation will procure that your ultimate parent company will enter into a parent company guarantee in the form set out in the Contract. <p>Failure to provide this confirmation will result in a "Fail" score being awarded.</p>	0	Pass/Fail
3	Method Statement	<ul style="list-style-type: none"> (e) Confirm the availability of public liability, employer's liability and professional indemnity insurance in the cover stated in Tender Action Point 3(b). <p>Failure to provide this confirmation in respect of any or all of the required insurances will result in a "Fail" score being awarded.</p> <p>Tenderers are required to provide a detailed Method Statement of how your organisation proposes to undertake the Project in accordance with the Specification and the Contract.</p> <ul style="list-style-type: none"> (a) Demonstrate how your organisation will develop or employ/contract or obtain the necessary property-based experience by the commencement of the Contract 	5	10

Tender Action Point	Quality Criteria	Description	Total Marks Available	Weighting/ Grade
		(b) Outline how your organisation will undertake the role of the Ombudsman having reference to the requirements set out in the Specification	5	20
		(c) Explain how your organisation will ensure that the Innovation Partnership arrangements will evolve the Service in conjunction with the NHQB. Tenderers are also required to provide a completed Innovation Partnerships timetable with their response to this Tender Action Point in the form set out at Annex 7 to this ITT setting out the innovation partnerships timetable between the appointment of the preferred bidder and the finalisation of the Contract.	5	5
		(d) Set out how your organisation will maintain its independence, openness and transparency, supported by examples of where these key criteria have been evident in your organisation's work	5	10
		(e) Outline how you would promote, grow and embed confidence in the role of the new Ombudsman service, ensuring visibility across the sector	5	10
		(f) Set out how your organisation will ensure that it is visibly transparent and accountable to all stakeholders, and how it will be providing Services that are value for money	5	5
4	Delivery Team	(a) Provide details of your organisation's proposed professional and technical Delivery Team to deliver the Project, including relevant experience and CVs where necessary. Your response should highlight which works and services are being undertaken by directly employed employees of your organisation and which are likely to be undertaken by sub-contractors. Your response should set out information regarding the knowledge, skills and experience of your organisation's Senior Management Team, and the proposed quality control and project management arrangements.	5	10

Tender Action Point	Quality Criteria	Description	Total Marks Available	Weighting/ Grade
		(b) A proposed organisational structure identifying your organisation's internal reporting structures and engagement with your organisation's senior management team.	5	5
		(c) Details of how your organisation evaluates the competence of the Delivery Team (excluding any sub-contractors), and details of the steps you will take to ensure ongoing competence to undertake their roles and responsibilities for this Project.	5	5
TOTAL				80%

Table 2 – Tender Action Points Evaluation Matrix

Tenderers will note that this refers to meeting the "requirements"; these are set out in the guidance for each question, above (which should be read in the context of the procurement documents). The NHQB's required specification is set out in Annex 4 to this Invitation Document.

Score	Judgment	Description
5	Excellent	Exceeds the required standard and is likely to deliver either improvement through innovation or added value.
4	Good	Meets the required standard.
3	Acceptable	Meets the required standard in most material aspects but is lacking or inconsistent in other minor aspects.
2	Inadequate	Fails to meet the required standard in most material aspects but meets it in only some material or minor aspects.
1	Poor	Significantly fails to meet the required standard.
0	No score/Fail	Fails to meet the required standard in all aspects or response does not allow the NHQB to evaluate its contents or is irrelevant or no response has been submitted.

Annex 1

Form of Tender

To: The New Homes Quality Board

Date: []

Unconditional and irrevocable offer to the NHQB in respect of the Contract for the provision of the New Homes Ombudsman Service

- 1 I/We the undersigned return this Tender and acknowledge that we are bound by our proposals submitted pursuant to the Invitation Document (receipt of which is also acknowledged) consisting of the following:
 - i this Invitation Document (Section 1);
 - ii Instructions to Tenderers (Section 2); and
 - iii Tender Action Points (Section 3); and
 - iv Evaluation Criteria (Section 4); and
 - v Form of Tender (Annex 1); and
 - vi Confidentiality Certificate (Annex 2); and
 - vii Non-Collusion Certificate (Annex 3); and
 - viii the Specification (Annex 4); and
 - ix the Contract (Annex 5); and
 - x the Pricing Document (Annex 6).
- 2 I/We hereby unconditionally and irrevocably offer to undertake the Project requested to be provided and performed under the Invitation Document in accordance with the Contract in the form set out in this Invitation Document and at the rates and prices stated in the Pricing Document.
- 3 I/We confirm that:
 - 3.1 I/We are fully conversant with all of the Invitation Document and all supporting information ; and
 - 3.2 this Tender is submitted strictly in accordance with the Invitation Document and all supporting documentation including, but not limited to the instructions to Tenderers.

4 I/We enclose under cover of this Form of Tender of the following mandatory documents:

- xi Responses to the Tender Action Points;
- xii Completed Pricing Document;
- xiii Signed Confidentiality Certificate; and
- xiv Signed Non-Collusion Certificate.

5 I/We agree that this Tender shall remain open to be accepted or not by the NHQB and shall not be withdrawn for a period of six (6) months from the deadline for receipt of Tenders as set out in the instructions to Tenderers, or such longer period as may be agreed with the NHQB.

6 I/We undertake to execute the Contract, to be prepared at your expense, for the proper and complete fulfilment of the Project or any part or parts thereof, as you may in your absolute discretion award to us. We understand that by submitting this Form of Tender we confirm our unequivocal acceptance of the form of contract as set out on the Invitation Document without amendment and confirm that they have been accepted in that form (without amendment) by our insurers, legal advisers, Board, and/or parent companies (as appropriate).

7 I/We agree that I/we shall commence and carry out the Project when instructed to do so by the NHQB pursuant to the terms of the Contract.

8 I/We certify that the details of this Tender and the Invitation Document have not been communicated to any other person or adjusted in accordance with any agreement or arrangement with any other person or organisation other than allowed under the Invitation Document.

9 I/We acknowledge that the NHQB are not bound to accept the lowest or any Tender it may receive, and reserves the right at its absolute discretion to accept or not to accept any tender submitted.

10 I/We certify that we have full power and authority to enter into the Contract and to undertake the Project, and that this is a bona fide tender.

Signed

Signed

For and on behalf of

For and on behalf of

Dated

Dated

Annex 2

Confidentiality Certificate

To: **The New Homes Quality Board**

Date: []

Confidentiality Certificate in respect of the Contract for the provision of the New Homes Ombudsman Service

We declare and accept that we shall not during the tender exercise for the delivery of the Project or at any time thereafter disclose to any person (except as may be required or permitted by law) the tender documents or any information contained thereon or subsequently provided to us by the NHQB or on the NHQB's behalf in connection with this tender, all of which information shall be deemed to be confidential. This shall include, but in no way be limited to information relating to the workforce information provided to allow us assess and evaluate the application of the Transfer of Undertakings (Protection of Employment) Regulations 2006 to the above service.

We further declare and agree that:

- 1 We will use such information only for the purposes of preparing our Tender submission and shall promptly return to the NHQB un-copied, all the tender documents and other information provided to us in connection with the tender if subsequently we are unable to tender or having tendered our Tender is not successful.
- 2 We shall neither dispose nor part with possession of any confidential material provided to us by the NHQB or prepared by us pursuant to the tender, save where the disclosure of such confidential information is essential for the procurement of a security or an insurance quotation pursuant to the Tender.
- 3 We shall not and shall ensure that any person employed by us or acting on our behalf does not divulge to any third party any information which comes into our or their possession in the course of performing the Project or submitting any Tender.
- 4 We declare that we have and shall remain to pay any fee required under the Data Protection (Charges and Information) Regulations 2018.
- 5 We shall indemnify the NHQB against all actions, claims, demands, proceedings, damages, costs, charges and expenses whatsoever in respect of any breach by us of this undertaking.

Signed

Signed

For and on behalf of

For and on behalf of

Dated

Dated

Annex 3

Certificate of Non-Collusion

To: The New Homes Quality Board

Date:

Non-Collusion Undertaking in respect of the Contract for the provision of the New Homes Ombudsman Service

The essence of the public procurement process is that the NHQB shall receive bona fide competitive tenders from all Tenderers. In recognition of this principle we hereby certify that this is a bona fide Tender, intended to be competitive, and that we have not fixed or adjusted the amount of the Tender or the rates or prices quoted by or under or in accordance with any agreement or arrangement with any other we have not:

- 1 Entered into an agreement with any other person with the aim or preventing Tenders being made or as to the fixing or adjusting of the amount of any Tender or the conditions on which any Tender is made; or
- 2 Informed any other person, other than the person calling for this Tender, of the amount or the approximate amount of the Tender; or
- 3 Caused or induced any person to enter into such an agreement as is mentioned in paragraph (1) and (2) above or to inform us of the amount or the approximate amount of any rival tender for the Contract; or
- 4 Offered or agreed to pay or give any sum of money, inducement or valuable consideration directly or indirectly to any person for doing or having done or causing or to having caused to be done in relation to any other Tender or proposed Tender for the Project covered by the Tender; or
- 5 Canvassed any other persons referred to in paragraph (1) above in connection with the Contract; or
- 6 Done any act which would amount to a breach of the Bribery Act 2010, or would have done if such action had been carried out in the UK, and no Associate Person (as defined in the Bribery Act 2010) has done any act which would cause the NHQB to be in breach of section 7(1) of the Bribery Act.

In this certificate:

The word 'person' includes any person, body or association, corporate or incorporate and 'agreement' includes any arrangement whether formal or informal and whether legally binding or not.

Signed

Signed

For and on behalf of

For and on behalf of

Dated

Dated

Annex 4

Services Specification

SERVICES SPECIFICATION FOR NEW HOMES OMBUDSMAN



1 Introduction

- 1.1 The New Homes Quality Board (NHQB), is a new independent body which will champion quality new homes and better consumer outcomes for buyers.
- 1.2 The Board will oversee the consultation on and introduction of a comprehensive new industry code of practice that will place considerably more responsibility on developers to deliver quality homes and better consumer outcomes for all; and the appointment of a **New Homes Ombudsman Service (NHOS)** that once operational, will provide much needed support for buyers in the event of a dispute.
- 1.3 The establishment of a NHOS is a move that has been committed to by Government, and was the number one recommendation made by the All-Party Parliamentary Group in its report (*Better redress for homebuyers – June 2018*) on the quality and redress issues experienced by customers of new build homes.

2 Required Services (the service specification)

- 2.1 Operate a customer responsive transparent, fair and responsive Ombudsman service to all stakeholders in accordance with the principles of an Ombudsman service, which will include:
 - 2.1.1 taking appropriate steps to ensure consumer awareness of the scheme (which may include promotion via social or other media), working with third parties as appropriate and accommodating consumers' varying circumstances;
 - 2.1.2 periodically analysing the profile of complainants to inform its work to raise awareness of the scheme and to drive service improvement;
 - 2.1.3 ensuring that the scheme is transparent and available free of charge to consumers;
 - 2.1.4 maintaining procedures and processes for raising a complaint within the scheme that are easy to understand and use and are not overly bureaucratic or cumbersome;

- 2.1.5 maintaining an up-to-date website which provides the parties to a dispute with information regarding the alternative dispute resolution procedure operated by the body;
- 2.1.6 providing the information referred to in sub-paragraph (e) to a party on a durable medium, if a party requests it;
- 2.1.7 maintaining an easy-to-understand guide explaining what the consumer needs to do to raise a complaint within the scheme and what the scheme's processes are for investigating a complaint which must be made available and provided to consumers contacting the scheme when requested;
- 2.1.8 ensuring that its website enables a consumer to file an initial complaint submission and any necessary supporting documents online;
- 2.1.9 permitting the consumer to file an initial complaint submission by post, if the consumer wishes;
- 2.1.10 enabling the consumer to progress their complaint via a range of methods, including telephone, email and post;
- 2.1.11 enabling the exchange of information between the parties via electronic means or, if a party wishes, by post;
- 2.1.12 ensuring that the cost to the consumer of accessing the scheme, such as the cost of making a call, is minimised;
- 2.1.13 providing access to a wide range of translation services for those consumers that do not speak English as their first language, including a Welsh Language Service and additional services for those that are hearing or visually impaired;
- 2.1.14 adopting processes that allow for additional help in accessing the scheme to be given to those consumers that need it. For example, this will include allowing persons to act on behalf of the relevant consumer;
- 2.1.15 offering to complete any forms that are necessary in order for the scheme to investigate the complaint (excluding any signatures that are required to give staff the authority to proceed with the investigation).
- 2.1.16 the ombudsman will handle complaints in an informal manner through an inquisitorial approach, will set the pace of the investigation and decide what questions to ask to get to the bottom of things
- 2.1.17 report to the NHQB, at a frequency to be determined by the NHQB. At present it is unlikely to be at a frequency greater than 12 times per year but this will be subject to further clarification between the NHQB and NHOS following appointment.

3 Complaint investigation and resolution

3.1 The NHO must:

- 3.1.1 abide by the deadlines for bringing a complaint to the redress scheme, as set out in the industry Code of Practice which will be after 56 days has elapsed since first raising the complaint but will also allow for flexibility taking into account the circumstances of the case and the complainant, and do not unnecessarily limit access to the scheme;
- 3.1.2 consider the vulnerability of the home buyer and whether any reasonable adjustments need to be made in order to bring their complaint to the Scheme; taking account of the individuality of every complaint which must be considered on its own merits and under its own unique circumstances.
- 3.1.3 consider the imbalance of resources between the parties and ensure that one party is not disadvantaged as a result;
- 3.1.4 take account of any independent advice, including that of an independent technical nature from, for example, home warranty bodies or legal advisers such as conveyancing lawyers;
- 3.1.5 allow a home builder against whom a complaint is made a reasonable period of time to attempt to resolve the complaint – this will need to be a judgement determined by the consequential impact of the defect based on a harm/risk assessment;
- 3.1.6 ensure that during the alternative dispute resolution procedure the parties may, within a reasonable period of time, express their points of view;
- 3.1.7 provide a party to a dispute within a reasonable period of time, upon request, with the arguments, evidence, documents and facts put forward by the other party to the dispute, including a statement made, or opinion given, by an expert;
- 3.1.8 ensure that the parties may, within a reasonable period of time, comment on the information and documents provided under paragraph 3.1.7;
- 3.1.9 make decisions that are based on what is fair and reasonable in all the circumstances, having regard to principles of law, good practice of other home builders within the sector (of a comparable size/turnout) and any inequitable conduct or poor service. This must also include having regard to any regulatory requirements and Codes of Practice. All evidence must be clearly documented and analysed by the body. Natural justice and fair procedure must be observed, including appropriate opportunity to comment on facts, conclusions or outcomes. Conclusions must be evidence based and decisions and recommendations must flow clearly from the analysis;
- 3.1.10 make decisions which take account of the nature of the issue and the effect it has had on the complainant. Redress must take into account the impact of any poor service that has occurred and of the hardship or injustice suffered as a result. Proportionality is key, whereby the process and resolution is appropriate to the complaint;
- 3.1.11 in reaching a determination, take account of the home builder's handling of the complaint prior to, and during, the investigation as well as the home buyer's action with the home builder during this time;

- 3.1.12 consider the information obtained during an investigation and the weight given to any particular piece of evidence and whether it is contentious or corroborated;
- 3.1.13 inform the parties that they are not obliged to retain a legal advisor, but that they may seek independent advice or be represented or assisted by a third party at any stage of the alternative dispute resolution procedure;
- 3.1.14 notify the parties of the outcome of the investigation in a durable medium and which gives the parties a statement of the grounds on which the outcome is based.

4 Adequate capacity and effective systems

4.1 The NHO must provide suitably competent and sufficient staff and put in place suitable systems to undertake its functions as follows:

- 4.1.1 ensure that the scheme is adequately staffed with competent personnel and funded in such a way that complaints can be effectively and expeditiously investigated and resolved and function impartially, efficiently and appropriately. In ensuring this, amongst other actions, policies and processes as appropriate, best-practice forecasting methodologies and processes must be used to achieve, so far as reasonably practicable, accurate estimates of staffing and funding requirements;
- 4.1.2 establishes objective targets for reaching decisions and dealing with enquiries against which it and others can assess its performance and put in place arrangements for assessing its performance against these targets;
- 4.1.3 carry out periodic quality assurance monitoring;
- 4.1.4 in partnership with the NHQB, establish a set of procedures for enforcing its decisions and the scheme's rules;
- 4.1.5 ensures that its alternative dispute resolution procedure is available and easily accessible to both parties irrespective of where they are located including by electronic means and non-electronic means;
- 4.1.6 ensure that the parties to a dispute are not obliged to obtain independent advice or be represented or assisted by a third party although they may choose to do so;
- 4.1.7 notify the parties to a dispute as soon as it has received all the documents containing the relevant information relating to the dispute constituting the complete complaint file;
- 4.1.8 effectively signpost a consumer to alternative organisations or sources of advice if a complaint is outside its remit;
- 4.1.9 notify the parties of the outcome of the investigation within a period of 90 days from the date on which the body has received the completed complaint file except that, in the case of a highly complex dispute, the NHOS may extend this

period but must inform the parties of this extension and the expected length of time that it will need to conclude the alternative dispute resolution procedure.

5 Reporting requirements/industry interface & systems

5.1 The NHO must ensure that it has mechanisms in place to report on the outcomes of complaint investigations, the performance of house builders who have been the subject of complaints/investigation and its own activities as follows:

5.1.1 provide reports and external documents which will be easily understood by their target audience, including new home builders, consumers, Government departments, industry stakeholders (including home warranty providers, mortgage lenders, estate agents and, licenced conveyancers); the general public and the media;

5.1.2 make the following information publicly available on its website in a clear and easily understandable manner, and provide, on request, this information to any person on a durable medium:

- (a) its contact details, including postal address, telephone number and e-mail address;
- (b) a statement that it has been approved as an ADR (Alternative Dispute Resolution) entity by the NHQB once the approval has been granted;
- (c) its officials, jurisdiction, powers, the method of their appointment and the duration of their appointment;
- (d) the type of disputes which it is competent to deal with, including any financial thresholds which apply;
- (e) the procedural rules of the Scheme operated by it and the grounds on which it can refuse to deal with a given dispute in accordance with paragraph 3.4;
- (f) the languages in which it is prepared to receive an initial complaint submission, which must include English and Welsh as a minimum;
- (g) the languages in which its alternative dispute resolution procedure can be conducted, which must include English and Welsh as a minimum;
- (h) the principles the body applies, and the main considerations the body takes into account, when seeking to resolve a dispute;
- (i) the preliminary requirements, if any, that a party to a dispute needs to have met before the alternative dispute resolution procedure can commence;
- (j) a statement as to whether or not a party to the dispute can withdraw from the alternative dispute resolution procedure once it has commenced;

- (k) the costs, if any, to be borne by a party, including the rules, if any, on costs awarded by the body at the end of the alternative dispute resolution procedure (note the Scheme must be free to consumers);
 - (l) the average length of time an investigation may take;
 - (m) the legal effect of the outcome of the dispute resolution process, including whether the outcome is enforceable and the penalties for non-compliance with the outcome, if any;
 - (n) the publication of decisions in a format whereby the details are anonymised, but the key findings and learnings can be readily accessed by industry, consumers and other interested parties
- 5.1.3 a statement as to whether or not alternative dispute resolution procedures operated by it can be conducted by oral or written means (or both);
- 5.1.4 an annual activity report required to be prepared and which should also include information about:-
- (a) the scheme's decisions, including the nature of the complaint and the outcome; and
 - (b) consumers' satisfaction with the scheme;
- 5.1.5 publish on its website details of its Board (and members) (*where relevant*), management structure, organisation charts, people profiles (where appropriate to do so) and its governance arrangements;
- 5.1.6 publish an Annual Report which will be expected to provide information on all aspects of its operation including but not exhaustively:
- (a) volume of enquiries received;
 - (b) number of complaints accepted;
 - (c) number of complaints resolved;
 - (d) types of enquiries and complaints received;
 - (e) timescales for dealing with complaints;
 - (f) outside scheme's terms of reference and discontinued complaints and reasons;
 - (g) figures and commentary relating to compliance with NHOS decisions;
 - (h) complaint trends;
 - (i) expulsion and sanctions data;
 - (j) multi-jurisdictional complaints (if there are any);

- (k) details of numbers covered by the scheme;
 - (l) service complaint statistics and recommendations undertaken for scheme improvement;
 - (m) number of legal challenges against the Scheme;
 - (n) best practice recommendations/actions taken by Ombudsman;
 - (o) highlighting systemic and emerging issues;
 - (p) funding income/expenditure;
 - (q) members of the scheme;
 - (r) those firms which were members of the scheme but have left it.
- 5.1.7 publish its procedure for making complaints about the scheme and where appropriate, for requesting a review of decisions
- 5.1.8 the NHO shall ensure that it puts in place robust, transparent, and effective contact arrangements with relevant trade bodies and individual house builders to ensure that there is a two way dialogue between the house building sector and the Ombudsman service and attend as a minimum two annual housebuilding conferences/events so as to promote the Ombudsman service and address any concerns/issues which the sector may have as regards its operation.

6 **Mandatory Requirements**

6.1 **Clarity of Purpose**

- 6.1.1 It is essential that the NHOS is, and is seen to be, easily accessible and responsive to consumers. Several factors are capable of impeding access, including a lack of awareness of the scheme, processes and procedures that prevent timely access to the scheme and its ease of use (or perceived ease of use) across all groups of consumers, including consumers in vulnerable situations.
- 6.1.2 In order to ensure that these requirements are met, the NHQB must be satisfied that the NHOS can demonstrate that it will:
- (a) take appropriate steps to ensure consumer awareness of the scheme (which may include promotion via social or other media), working with third parties as appropriate and accommodating consumers' varying circumstances;
 - (b) periodically analyse the profile of complainants to inform its work to raise awareness of the scheme and to drive service improvement;
 - (c) ensure that the scheme is transparent and available free of charge to consumers;

- (d) maintain procedures and processes for raising a complaint within the scheme that are easy to understand and use and are not overly bureaucratic or cumbersome;
- (e) maintains an up-to-date website which provides the parties to a dispute with information regarding the alternative dispute resolution procedure operated by the body;
- (f) provide the information referred to in sub-paragraph (e) to a party on a durable medium, if a party requests it;
- (g) maintain an easy-to-understand guide explaining what the consumer needs to do to raise a complaint within the scheme and what the scheme's processes are for investigating a complaint which must be made available and provided to consumers contacting the scheme when requested;
- (h) ensure that its website enables a consumer to file an initial complaint submission and any necessary supporting documents online;
- (i) permit the consumer to file an initial complaint submission by post, if the consumer wishes;
- (j) enable the consumer to progress their complaint via a range of methods, including telephone, email and post;
- (k) enable the exchange of information between the parties via electronic means or, if a party wishes, by post;
- (l) ensure that the cost to the consumer of accessing the scheme, such as the cost of making a call, is minimised;
- (m) provide access to a wide range of translation services for those consumers that do not speak English as their first language, including a Welsh Language Service and additional services for those that are hearing or visually impaired;
- (n) adopt processes that allow for additional help in accessing the scheme to be given to those consumers that need it. For example, this will include allowing persons to act on behalf of the relevant consumer;
- (o) offer to complete any forms that are necessary in order for the scheme to investigate the complaint (excluding any signatures that are required to give staff the authority to proceed with the investigation).

6.1.3 In order to deliver the proactive innovative partnership approach required by the NHQB the NHOS will work constructively with the NHQB and the housebuilding industry to evolve the service into one which is seen to both champion consumers when things go wrong but to also help housebuilders to better understand consumer expectations and to resolve disputes in an amicable and fair way, without necessarily involving third party adjudication. The service should not be perceived as punitive, bureaucratic nor costly to any party and so

the NHOS will work in a transparent way with the NHQB to ensure that fees/charges/administrative costs are fair, reasonable and proportionate. The NHOS should recognise that there will be occasions when not all parties will be content with the outcome of investigations not conclusions and so the NHOS will need to put in place a review process which all stakeholders will be expected to co-operate with.

- 6.1.4 The NHOS will be expected to handle complaints in an informal manner through an inquisitorial approach will set the pace of the investigation and decide what questions to ask to get to the bottom of things.
- 6.1.5 The NHOS will concentrate on the actual facts of the case, rather than the complaint as presented or who can present the most persuasive legal arguments. This may mean asking for more information than provided in the initial complaint such as:
 - (a) Sales brochures
 - (b) Reservation agreements
 - (c) Plans
 - (d) Building regulations and technical standards
 - (e) Contract terms and conditions
- 6.1.6 The NHOS will be required to let the parties know what information they need and by when.
- 6.1.7 The NHOS will enable the parties to tell them what they remember saying or being told.
- 6.1.8 While written evidence or paperwork from the time will often be very helpful, if it isn't available, it doesn't automatically mean a complaint will be upheld or rejected. Through an inquisitorial approach the right outcome in one case may not be the right outcome in another as individual circumstances can vary considerably.

6.2 **Independence**

- 6.2.1 Independence means that the appointed NHOS must be, and be seen to be, independent from those whose disputes it is resolving, i.e. both consumers and the new home building industry.
- 6.2.2 This is essential to ensure that consumers and the industry have confidence in the scheme, it is seen to be credible and that decisions are taken without bias.
- 6.2.3 There must be sufficient safeguards in place to demonstrate impartiality.
- 6.2.4 The NHQB must be satisfied that the NHOS can demonstrate that it will:
 - (a) ensure that the Ombudsman and its staff have (or will obtain) a general understanding of the new homes market and relevant consumer

protection law, along with the necessary knowledge and skills relating to the out-of-court or judicial resolution of consumer disputes, to be able to carry out its functions competently;

- (b) ensure that the person responsible for the scheme alone has the power to decide whether or not a complaint is within the scheme's jurisdiction;
- (c) appoint each official for a term of office of sufficient duration to ensure the independence of that person's actions and provides that no official can be relieved of their duties without just cause;
- (d) ensure that no official discharges their duties in a way that is biased as regards a party to a dispute, or the representative of a party;
- (e) remunerate an official in a way that is not linked to the outcome of the alternative dispute resolution procedure;
- (f) where it appoints more than one official, ensure that an official, without undue delay, discloses to the body a circumstance that may, or may be seen to:
 - i affect the official's independence or impartiality; or
 - ii gives rise to a conflict of interest with a party to the dispute which the official is asked to resolve;
- (g) ensure that the obligation to disclose a conflict of interest is a continuing obligation throughout the alternative dispute resolution procedure;
- (h) report to the NHQB, at a frequency to be determined by the NHQB. At present it is unlikely to be at a frequency greater than 12 times per year but this will be subject to further clarification between the NHQB and NHOS following appointment. The NHQB is the independent body responsible for safeguarding the independence of the person(s) responsible for the scheme;
- (i) ensure that any terms of reference or Rules for a scheme, or changes to the terms of reference or Rules, are agreed by the NHQB;

6.2.5 In the absence of fuller legislation streamlining the various voluntary, emerging and statutory schemes, the New Homes Ombudsman, assisted by the NHQB, will work collaboratively and co-operatively with the other ombudsman schemes to ensure that there is greater clarity for consumers about what falls within each remit, and where there is some aspects of duplication or whether another ombudsman could accept responsibility, engaging with those other ombudsman to agree a voluntary memorandum of understanding about responsibilities.

6.2.6 Where there is a statutory ombudsman, such as the Financial Services Ombudsman then that will be the dominant ombudsman in relation to complaints within its remit.

6.2.7 Going forward, Government has an ambition to develop a coordinated approach to all sector ombudsman and a specific Government led Group has been set up to consider the options on this. The NHQB is on this Group and is working with Government and other housing sector ombudsman bodies on this initiative, with one of the specified objectives being to ensure customers are sign posted clearly and effectively between ombudsman services. Outputs from the Group will be factored into how future processes are developed and it is therefore vital that the NHOS is able to work constructively with the NHQB to evolve the service.

6.3 **Fairness**

6.3.1 The Ombudsman must be impartial, proceed fairly and act in accordance with the principles of natural justice. It must make reasoned decisions in accordance with what is fair in all the circumstances, having regard to the principles of law, to good practice and to any inequitable conduct or maladministration.

6.3.2 The NHOS must satisfy the NHQB that it can demonstrate that it will:

- (a) abide by the deadlines for bringing a complaint to the redress scheme, as set out in the industry Code of Practice which will be after 56 days has elapsed since first raising the complaint but will also allow for flexibility taking into account the circumstances of the case and the complainant, and do not unnecessarily limit access to the scheme;
- (b) consider the vulnerability of the home buyer and whether any reasonable adjustments need to be made in order to bring their complaint to the Scheme; taking account of the individuality of every complaint which must be considered on its own merits and under its own unique circumstances.
- (c) consider the imbalance of resources between the parties and ensure that one party is not disadvantaged as a result;
- (d) take account of any independent advice, including that of an independent technical nature from, for example, home warranty bodies or legal advisers such as conveyancing lawyers;
- (e) allow a home builder against whom a complaint is made a reasonable period of time to attempt to resolve the complaint – this will need to be a judgement determined by the consequential impact of the defect based on a harm/risk assessment;
- (f) ensure that during the alternative dispute resolution procedure the parties may, within a reasonable period of time, express their points of view;
- (g) provide a party to a dispute within a reasonable period of time, upon request, with the arguments, evidence, documents and facts put forward by the other party to the dispute, including a statement made, or opinion given, by an expert;

- (h) ensure that the parties may, within a reasonable period of time, comment on the information and documents provided under paragraph (g);
- (i) make decisions that are based on what is fair and reasonable in all the circumstances, having regard to principles of law, good practice of other home builders within the sector (of a comparable size/turnover) and any inequitable conduct or poor service. This must also include having regard to any regulatory requirements and Codes of Practice. All evidence must be clearly documented and analysed by the body. Natural justice and fair procedure must be observed, including appropriate opportunity to comment on facts, conclusions or outcomes. Conclusions must be evidence based and decisions and recommendations must flow clearly from the analysis;
- (j) make decisions which take account of the nature of the issue and the effect it has had on the complainant. Redress must take into account the impact of any poor service that has occurred and of the hardship or injustice suffered as a result. Proportionality is key, whereby the process and resolution is appropriate to the complaint;
- (k) in reaching a determination, take account of the home builder's handling of the complaint prior to, and during, the investigation as well as the home buyer's action with the home builder during this time;
- (l) consider the information obtained during an investigation and the weight given to any particular piece of evidence and whether it is contentious or corroborated;
- (m) inform the parties that they are not obliged to retain a legal advisor, but that they may seek independent advice or be represented or assisted by a third party at any stage of the alternative dispute resolution procedure;
- (n) notify the parties of the outcome of the investigation in a durable medium and which gives the parties a statement of the grounds on which the outcome is based.

6.3.3 Whilst the following is not an exhaustive list it is likely that any decision made by the NHOS will be in the range of:

- (a) The complaint is upheld and recommendations are made on how the home builder should put things right;
- (b) The complaint is partly upheld;
- (c) The complaint is upheld but no recommendations are made because the home builder may have put things right by the time the complaint is decided;
- (d) The complaint is upheld but no recommendations are made because the fault isn't considered to have had a significant effect on the home buyer;

- (e) The complaint is not upheld;
- (f) The complaint cannot or will not be investigated.

6.3.4 In respect of the possible remedies the NHOS may recommend that the home builder should:

- (a) Give the home buyer an apology or explanation;
- (b) Take some practical action that will put right the matters complained of;
- (c) Pay the home buyer the cost of putting right the matters complained of;
- (d) Pay the home buyer the expenses reasonably incurred as a result of the developer not complying with the Code;
- (e) Pay the home buyer an amount for inconvenience.

6.3.5 In relation to the scheme, the NHOS must satisfy the NHQB that it can demonstrate that it will ensure that the consumer:

- (a) has the possibility of withdrawing from the complaint process at any stage if they are dissatisfied with the performance or operation of the investigative procedure;
- (b) before the investigative procedure commences, is informed of their right to withdraw from the procedure at any stage;
- (c) is informed, before agreeing to or following the proposed solution:
 - i that they have a choice as to whether or not to agree to, or follow, the proposed solution, making it clear to the consumer that the scheme's decisions are binding on the new home builder but not on the complainant;
 - ii that their participation in the scheme does not preclude the possibility of them seeking redress through court proceedings;
 - iii that the proposed solution may be different from an outcome determined by a court applying legal rules; and
 - iv of the legal effect of agreeing to, or following the proposed solution;
- (d) before expressing their consent to a proposed solution or amicable agreement, are allowed a reasonable period of time to reflect.

6.3.6 The NHOS must be able to satisfy the NHQB that it can demonstrate that it will only refuse to deal with a dispute which it is competent to deal with on one of the following grounds:

- (a) prior to submitting the complaint to the scheme, the consumer has not attempted to contact the trader concerned in order to discuss the

consumer's complaint and sought, as a first step, to resolve the matter directly with the trader;

- (b) the dispute is frivolous or vexatious;
- (c) the dispute is being, or has been previously, considered and determined by another ADR entity (including another Ombudsman scheme) or by a court;
- (d) the consumer has not submitted the complaint to the body within the time period specified by the Scheme and as set out in the Code of Practice. The NHOS should set out under what circumstances it may be appropriate to extend this time period, taking into account the circumstances of the case and the consumer and not unreasonably limiting access to the scheme;
- (e) dealing with such a type of dispute would seriously impair the effective operation of the body.

6.3.7 The NHOS must satisfy the NHQB that it can demonstrate that its policy regarding when it will refuse to deal with a dispute does not significantly impair consumers' access to its scheme.

6.3.8 Subject to paragraph 3.4, it must also satisfy the NHQB that it can demonstrate where it refuses to deal with a dispute, it will, within 15 working days of the date upon which it received the complaint file, inform both parties and provide a reasoned explanation of the grounds for not considering the dispute.

6.3.9 Where following the expiry of the period referred to above, it appears to the NHOS that one of the parties has sought to mislead the body as regards the existence or non-existence of one of the grounds for it to decline to deal with a dispute, the body may immediately decline to deal further with the dispute.

7 Effectiveness

7.1.1 In order for a dispute procedure to be effective, it has to be prompt, cost effective, fair, impartial and allow both parties to present their views. All representations, whether general enquiries or cases, must be dealt with on a fair and equitable basis. The scheme's dispute procedures and processes must facilitate the achievement of this objective.

7.1.2 In order to ensure that these requirements are met, the NHOS must satisfy the NHQB that it can demonstrate that it will:

- (a) ensure that the scheme is adequately staffed and funded in such a way that complaints can be effectively and expeditiously investigated and resolved and to allow the Ombudsman to function impartially, efficiently and appropriately. In ensuring this, amongst other actions, policies and processes as appropriate, best-practice forecasting methodologies and processes must be used to achieve, so far as reasonably practicable, accurate estimates of staffing and funding requirements;

- (b) establishes objective targets for reaching decisions and dealing with enquiries against which it and others can assess its performance and put in place arrangements for assessing its performance against these targets;
- (c) carry out periodic quality assurance monitoring;
- (d) in partnership with the NHQB, establish a set of procedures for enforcing its decisions and the scheme's rules;
- (e) ensures that its alternative dispute resolution procedure is available and easily accessible to both parties irrespective of where they are located including by electronic means and non-electronic means;
- (f) ensure that the parties to a dispute are not obliged to obtain independent advice or be represented or assisted by a third party although they may choose to do so;
- (g) notify the parties to a dispute as soon as it has received all the documents containing the relevant information relating to the dispute constituting the complete complaint file;
- (h) effectively signpost a consumer to alternative organisations or sources of advice if a complaint is outside its remit;
- (i) notify the parties of the outcome of the investigation within a period of 90 days from the date on which the body has received the completed complaint file except that, in the case of a highly complex dispute, the NHOS may extend this period but must inform the parties of this extension and the expected length of time that it will need to conclude the alternative dispute resolution procedure.

7.1.3 Effectiveness also relies on the scheme having sufficient scope in terms of the type of complaint it can consider, the range of remedies it can require and its ability to enforce those remedies.

7.1.4 The NHOS must satisfy the NHQB that it can demonstrate that it will:

- (a) publish information on what outcomes are possible and what remedies are available, including how financial remedies are determined;
- (b) publish the potential remedies available where poor service or consumer detriment is found;
- (c) identify issues in individual home builders and makes recommendations to improve complaints handling, reporting these recommendations to the NHQB and/or Code Council body where appropriate;
- (d) recommend changes to new home builders' processes and/or policies where systemic failures are identified in order to promote improved service. This may also be to require them to undertake training;

- (e) publicise, or require the publication of, any new home builder who fails to comply with the remedy awarded by an Ombudsman as set out in the decision and which has been properly accepted by the complainant under the Scheme rules;
- (f) have procedures in place for:
 - i following up on decisions and recommendations to ensure they have been complied with and, if necessary,
 - ii set out what steps will be taken to ensure compliance;
- (g) regularly collect information regarding trends in complaints, company performance and scheme performance, and reports this information to the NHQB on at least a quarterly basis and publish this information on its website;
- (h) promote the scheme in the media as appropriate and respond to any media requests about the information it publishes;
- (i) publish information about consumers' satisfaction with the scheme and have in place a quality assurance mechanism for its complaint handling and conduct regular auditing of outcomes;
- (j) notify the NHQB on any proposed changes to the scheme (including changes to the Code of Practice) in light of any learnings from its investigations;
- (k) provide information requested by the NHQB where the information is required to assess the performance of the redress scheme, its ongoing compliance with the criteria it has been approved against or the performance of new home builders; this may include providing the NHQB with each final decision taken;
- (l) establish a procedure to consider and resolve complaints by consumers or new home builders about the service provided by the scheme, and the final decision on the complaint must be made by a person not previously involved in the determination of the complaint and with sufficient authority to direct how the issue may be resolved.

7.2 Openness and Transparency

7.2.1 An Ombudsman scheme should ensure openness and transparency so that members of the public and other stakeholders know why the scheme exists, what it does and what to expect from it, and can have confidence in the decision-making process and management processes of the scheme.

7.2.2 The NHOS must satisfy the NHQB that it can demonstrate that it will:

- (a) provide reports and external documents which will be easily understood by their target audience, including new home builders, consumers, Government departments, industry stakeholders (including home

warranty providers, mortgage lenders, estate agents and, licenced conveyancers); the general public and the media;

- (b) make the following information publicly available on its website in a clear and easily understandable manner, and provide, on request, this information to any person on a durable medium:
 - i its contact details, including postal address, telephone number and e-mail address;
 - ii a statement that it has been approved as an ADR entity by the NHQB once the approval has been granted;
 - iii its officials, jurisdiction, powers, the method of their appointment and the duration of their appointment;
 - iv the type of disputes which it is competent to deal with, including any financial thresholds which apply;
 - v the procedural rules of the Scheme operated by it and the grounds on which it can refuse to deal with a given dispute in accordance with paragraph 3.4;
 - vi the languages in which it is prepared to receive an initial complaint submission, which must include English and Welsh as a minimum;
 - vii the languages in which its alternative dispute resolution procedure can be conducted, which must include English and Welsh as a minimum;
 - viii the principles the body applies, and the main considerations the body takes into account, when seeking to resolve a dispute;
 - ix the preliminary requirements, if any, that a party to a dispute needs to have met before the alternative dispute resolution procedure can commence;
 - x a statement as to whether or not a party to the dispute can withdraw from the alternative dispute resolution procedure once it has commenced;
 - xi the costs, if any, to be borne by a party, including the rules, if any, on costs awarded by the body at the end of the alternative dispute resolution procedure (note the Scheme must be free to consumers);
 - xii the average length of time an investigation may take;
 - xiii the legal effect of the outcome of the dispute resolution process, including whether the outcome is enforceable and the penalties for non-compliance with the outcome, if any;
 - xiv the publication of decisions in a format whereby the details are anonymised, but the key findings and learnings can be readily accessed by industry, consumers and other interested parties

- (c) a statement as to whether or not alternative dispute resolution procedures operated by it can be conducted by oral or written means (or both);
- (d) an annual activity report required to be prepared and which should also include information about-:
 - i the scheme's decisions, including the nature of the complaint and the outcome; and
 - ii consumers' satisfaction with the scheme;

7.3 **Accountability**

7.3.1 The Ombudsman, staff members and members of any governing body should be seen to be responsible and accountable for their decisions and actions, including stewardship of funds.

7.3.2 The NHOS must satisfy the NHQB that it can demonstrate that it will:

- (a) publish on its website details of its Board (and members), management structure, organisation charts, people profiles (where appropriate to do so) and its governance arrangements;
- (b) publish an Annual Report which will be expected to provide information on all aspects of its operation including but not exhaustively:
 - i volume of enquiries received;
 - ii number of complaints accepted;
 - iii number of complaints resolved;
 - iv types of enquiries and complaints received;
 - v timescales for dealing with complaints;
 - vi outside scheme's terms of reference and discontinued complaints and reasons;
 - vii figures and commentary relating to compliance with NHOS decisions;
 - viii complaint trends;
 - ix expulsion and sanctions data;
 - x multi-jurisdictional complaints (if there are any);
 - xi details of numbers covered by the scheme;
 - xii service complaint statistics and recommendations undertaken for scheme improvement;
 - xiii number of legal challenges against the Scheme;

- xiv best practice recommendations/actions taken by Ombudsman;
 - xv highlighting systemic and emerging issues;
 - xvi funding income/expenditure;
 - xvii members of the scheme;
 - xviii those firms which were members of the scheme but have left it.
- (c) publish its procedure for making complaints about the scheme and where appropriate, for requesting a review of decisions

8 Desirable Requirements

8.1 In addition to satisfying the NHQB that the NHOS can demonstrate it can meet all the service requirements as set out in Section One (Mandatory Requirements), it will be desirable for the NHOS to demonstrate it also has the following in relation to its independence and effectiveness:

8.2 Conflict of interests' procedure

8.2.1 The NHQB must be satisfied that the following procedure is, will be in place, in the event that an official declares or is discovered to have a conflict of interest in relation to a dispute:

- (a) where possible, the official is replaced by another official to handle the particular dispute;
- (b) if the official cannot be replaced by another official:
 - i the official must refrain from conducting the investigation into the dispute, and
 - ii the body must, where possible, propose to the parties that they submit the dispute to another ADR entity which is competent to deal with it;
- (c) if the dispute cannot be transferred to another ADR entity, the body:
 - i must inform the parties to the dispute of the circumstances of the conflict of interest;
 - ii must inform the parties to the dispute that they have the right to object to the conflicted person continuing to handle the dispute; and
 - iii can only continue to deal with the dispute if no party to the dispute objects.

8.3 Quality assurance

8.3.1 The NHOS must satisfy the NHQB that it has (or will have) in place a Quality Framework which sets out the system the organisation will use to undertake

quality assurance on its decisions and on its policies to make sure they remain relevant and are being widely adopted and used.

8.3.2 The quality audit of decisions should be carried out in a number of ways:

- (a) percentage of decisions undertaken;
- (b) spot-checks of decisions with issue-based reviews of decisions being carried out on a regular basis;
- (c) peer reviews;
- (d) reviews undertaken by an Independent Reviewer to carry out an audit of the scheme, and to ensure any recommendations are being implemented;
- (e) customer satisfaction surveys.

Annex 5
Form of Contract

[To be inserted]

Annex 6

Pricing Document

1. All prices and rates included in this Pricing Document shall be inclusive of all disbursements and any other costs or expenses necessary for the proper performance of the Services and include for all Contractors risks under the Conditions of Contract. All prices and rates shall be exclusive of Value Added Tax.
2. The NHQB shall not pay any sum or sums other than those set out in this Pricing Document, unless otherwise agreed.
3. For year one and year two of the Contract it is recognised that the volume and complexity of investigations is uncertain. In order to provide some level of certainty in terms of income, a minimum payment will be guaranteed for year one and year two of the Contract based on a pre-estimate of the average volume of investigations provided by the Successful Tenderer in its price submission for years one and two of the Contract.
4. The NHQB has estimated a baseline price of £500 per investigation, and Tenderers are required to submit a percentage uplift or decrease to this baseline price as part of their Tender. Tenderers will need to apply their own knowledge and experience to determine their uplift/decrease to the baseline price.
5. In year one, the Successful Tenderer will be paid on the basis of there being 500 investigations. As an example, if the Tenderer applied a 0% figure to the £500 base estimate this would result in a guaranteed payment of £250,000 for undertaking investigations in year 1 (one). This is a base payment but should the number of investigations exceed this estimated volume they will be paid at the per investigation level set out in the tender. For example, if there were 600 investigations, they would be paid $600 \times £500 (x0\%) = £300,000$.
6. It is anticipated that for year two of the Contract, the estimate of the volume of investigations will be 1,000, and it is the intention that a minimum payment will be made on the basis of 1,000 investigations. As per the example in section 5.6 if the Tenderer applied a 0% figure to the £500 cost of investigation the Tenderer will be paid a guaranteed payment of £500,000 for undertaking investigations.
7. Notwithstanding the above, the NHQB and the Successful Tenderer will work together to assess whether the proposed prices set out above are appropriate in light of the actual services delivered by the NHOS, and the parties agree that the pricing for year two may need to be increased/decreased subject to the number of investigations carried out during year one of the Contract. The Parties will work together to agree the minimum guaranteed payment for year 2 of the Contract no later than three (3) months before the first anniversary of the Contract.
8. Years three to five payment structure will be determined during January prior to year three and thereafter during January of each subsequent year. For example, the payment structure for the year April 2024 – March 2025 will be agreed in January 2024 and so on.
9. The pricing document is split into two parts, the first for years one and two and the second part for years three, four and five.
10. After year one of the Contract Period these rates may be adjusted from the 1 April each year by a proportion equivalent to the proportionate rise or fall of the Consumer Price Index (CPI) prevailing for the Month of December prior to each year's anniversary of the commencement of the Contract.
11. Please review the following table for the elements of the core service activities to be provided and give an annual price for each activity and a total overall annual price as required. The

NHQB is committed to providing all of its services at a price which is affordable to housebuilders, recompenses any contractor at a fair and equitable rate but also provides value for money/best value for all consumers/stakeholders and so it is vital that the selected NHOS is able to work with the NHQB to ensure that these objectives are fully met.

Activity Price per annum

Activity	Annual price (year 1)	Annual price (year 2)	Annual price (years 3, 4 & 5)
Management and administration of the NHOS, including (but not exhaustively) all staffing, office accommodation, IT, telephony, financial controls etc.			
Operation (including input and extract of data) of a CRM system to record, track and monitor resolution and rectification of consumer complaints			
Undertaking investigations and resolution of complaints which have been raised with the NHOS either directly from consumers or via third parties, including the NHQB – base price £500 – <i>(the number of complaints is estimated)</i>	<i>Volume 500 pa</i> <u>Base price is £500</u> <u>x 500 complaints</u> <u>(+ or - %)</u> 	<i>Volume 1,000 pa</i> <u>Base price is £500</u> <u>x 1,000 complaints</u> <u>(+ or - %)</u> 	<i>Volume 2,000 pa</i> <u>Base price is £500</u> <u>x 2,000 complaints</u> <u>(+ or - %)</u>
Promotion of NHOS membership, maintenance and regular updating of the NHOS database including contact details for the relevant members.			
Maintenance, updating, review and development of the NHOS website and the development of suitable material content for the website.			
Production and dissemination of a quarterly NHOS e-bulletin, liaison with the NHQB Chair regarding copy and content for each edition.			

Production and dissemination of an Annual Report (Price inclusive of printing costs at a run rate of 500 copies)			
Attendance at and production of Board reports for a maximum of six meetings of the NHQ Board meetings per annum to include preparation & dissemination of reports and responding to any questions/issues arising.			
Management of the NHOS accounts and funds, including maintenance and lodging of accurate accounts, dealing with VAT and tax issues, auditing and production of clear financial reports to each meeting of the NHQ Board.			
Attendance at and servicing a maximum of two annual meetings with representatives of the house building industry.			
TOTAL OVERALL ANNUAL SUM			

12. Please complete the following table of Day Rates. These rates will be used to call off on a day rate basis for the services described as and when necessary. These rates shall not form part of the overall financial evaluation of tenders.

Activity Day Rate

Day Rate for the administrative element of arranging and booking suitable venues and refreshments, engaging speakers, facilitating, promoting and running ad-hoc conferences to promote the services of the NHOS	
Day rate for attendance at an unscheduled NHQ Board meeting	
Day rate for attendance at an industry conference as directed by the NHQB (in addition to the two annual meetings)	

STAFFING

Please list the **key staff** which will be employed on this contract, their qualifications and experience which is relevant to this performance of this contract:

	Name	Qualifications and experience (please attached CV's)
1		
2		
3		
4		
5		

NO	Activity/Event/Obstacle	Responsible Party (Partner/NHQB/3 rd party)	Duration	Start	Finish	Month 1	Month 2	Month 3	Month 4	Month 5
1.1	<u>Feasibility/Outline Design</u> Staff recruitment & training Development of general operating code of conduct & operating policies agreed to ensure independence Steps required to ensure consumer awareness of the scheme – promotion/publicity/general comms Development of an easy-to-understand guide explaining what the consumer needs to do to raise a complaint – consumer interface Development of a CRM system to allow tracking of complaints and resolution Website development and agreement of data input protocols – interface with NHQB systems Development of ombudsman investigation & decision-making processes incl. response mechanism to consumer and sign off by NHQB	Partner								
THL.14827	1954.1 Creation of monitoring systems to track complaints	63			RXR.099999.00009					

NO	Activity/Event/Obstacle	Responsible Party (Partner/NHQB/3rd party)	Duration	Start	Finish	Month 1	Month 2	Month 3	Month 4	Month 5
1.2	NHQB Input	NHQB								
1.3	Updated Cost Estimates reconciled with Budget	Partner								
1.4	Strategy Group Consideration	Partner/NHQB								
1.6	Client Approval	NHQB								
2.	WEBSITE AND IT CONSIDERATIONS									
2.1	Submission of proposals for scheme and estimate approval	Partner								
2.2	Grant of scheme and estimate approval	NHQB								
3.	RISK REGISTER ACTIONS	[Team members as specified in Risk Register]								
3.1	Failure to recruit suitably qualified staff									
3.2	Headline costs exceed budget estimate – value engineering consideration?									
3.3	Complaints are more complex than estimated									

NO	Activity/Event/Obstacle	Responsible Party (Partner/NHQB/3rd party)	Duration	Start	Finish	Month 1	Month 2	Month 3	Month 4	Month 5
3.4	Number of complaints is significantly lower than estimate									
4.	DETAILED DESIGN									
4.1	Develop details of design identified by team	Partner								
4.2	NHQB input	NHQB								
4.3	Updated Cost Estimate reconciled with Budget	Partner								
4.4	Strategic Group Consultation	Strategic Group								
4.5	NHQB Approval	NHQB								
5.	DEVELOPMENT F FINAL KPI'S	NHQB/Partner/Strategic Group								
6.	APPROVAL									
6.1	Final sign off – paper prepared	NHQB Representative								
6.2	Formal Approval	NHQB								

NO	Activity/Event/Obstacle	Responsible Party (Partner/NHQB/3rd party)	Duration	Start	Finish	Month 1	Month 2	Month 3	Month 4	Month 5
7.	PROJECT TIMETABLE (ie post – mobilisation timetable for delivery phase)									
7.1	Preparation of initiation Project Timetable	Partner								
7.2	Review of Project Timetable	NHQB								
7.3	Approval of Project Timetable	NHQB								
8.	CONTRACT									
8.1	Satisfaction of pre-conditions for start of service	Partners/NHQB as appropriate								
8.2	Preparation of Contract	NHQB								
8.3	Collation of developed Contract Documents	NHQB								
8.4	Approval of Contract Documents	NHQB/Partner								
8.5	Signature of Contract Documents	NHQB/Partner								
9.	MEETINGS/WORKSHOPS									

NO	Activity/Event/Obstacle	Responsible Party (Partner/NHQB/3rd party)	Duration	Start	Finish	Month 1	Month 2	Month 3	Month 4	Month 5
9.1	Strategic Group Meetings	Strategic Group members								
9.2	Workshops	NHQB/Partner								