LHC
MIDLANDS
LONDON
SOUTH EAST

Modern Methods of Construction (MMC) of New Homes

4TH MAY 2023 – 3RD MAY 2027

NH3 Framework Guide

Improving lives and places
through quality procurement solutions

lse.lhcprocure.org.uk

LHC procures frameworks, in accordance with The Public Contracts Regulations 2015, which can be used by local authorities, social landlords and other public sector bodies to procure works, products and services for the construction, refurbishment and maintenance of social housing, schools and public buildings.

Established in 1966, LHC are acknowledged as one of the most experienced and respected providers of procurement frameworks in the construction sector.

LHC
3rd Floor | 2 Vine Street | Uxbridge | UB8 1QE

01895 274 800
info@lseprocure.org.uk

@lhcprocurement
linkedin.com/company/lhc

WHY HAS THIS FRAMEWORK BEEN DEVELOPED?

CN 2022/S 000-023069, CAN 2023/S 000-012799

The New Homes framework (NH3) has been developed to be a market-leading framework providing a wide range of systems and project delivery models to give public sector organisations the flexibility to deliver MMC projects tailored to their specific requirements and priorities.

With the variety of high quality manufacturers and contractors appointed to this framework, NH3 provides an excellent choice for clients to access a range of MMC solutions and providers. NH3 is designed to facilitate greater collaboration between suppliers and the public sector, while continuing to provide an efficient, value for money procurement route for the public sector.

Key benefits - at a glance:

- ✔ Higher service standards through increased use of PCSAs (Pre-Construction Service Agreements) to improve design, planning and delivery of projects
- ✔ Providing clients with a wide range of options to deliver MMC housing projects
- ✔ MMC solutions to enable clients to meet their new low-carbon home targets
- ✔ Promote the latest innovations in MMC design and construction technologies as viable options in delivering new homes targets

About the Framework

In 2021 LHC was sought out due to our extensive experience in public sector procurement frameworks to provide insight and feedback into the government's independent review of public sector construction frameworks.

The resulting report 'Constructing the Gold Standard' by Professor David Mosey laid out the potential for frameworks to have a key role in implementing the 'Construction Playbook', which sets objectives to drive innovation and promotes Modern Methods of Construction alongside standardising design and components.

LHC Delivering MMC

We have a strong track record in designing innovative frameworks for the public sector providing access to some of the leading manufacturers and contractors right across Britain.

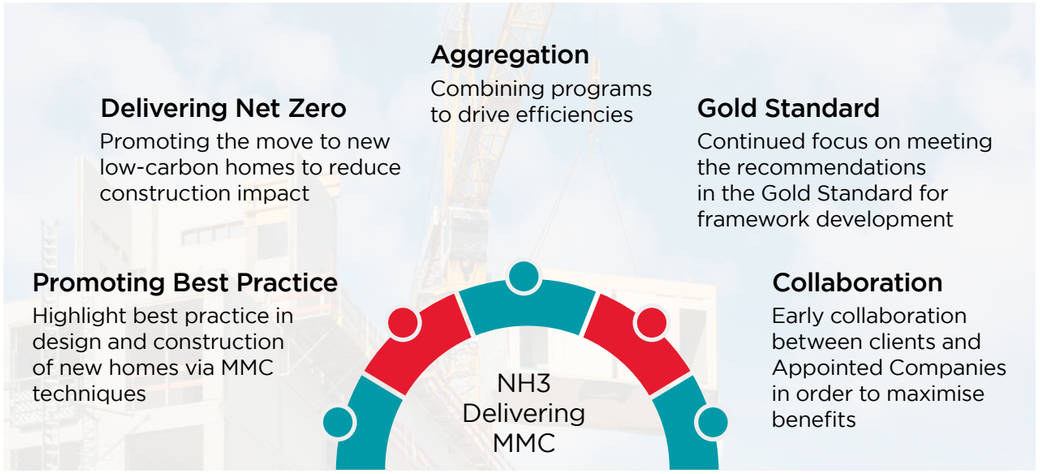
NH2 has enabled £93.5m worth of offsite homes projects with a total forecast value of £277m across the UK*.

NH3 replaces the NH2 framework and has been shaped by extensive engagement with housing contractors, clients and manufacturers. It allows for a range of housing types, from low rise and medium/high rise, through to specialist accommodation such as care homes. The framework also provides for delivery of 'room in the roof' projects and adaptive pods.

***Note: Information outlined above reflects legislation at the time of publication.**

ABOUT THIS FRAMEWORK
VISION FOR THE FRAMEWORK

NH3 has been designed to provide LHC clients access to the latest design and construction techniques in MMC which can be tailored to meet specific requirements to aid in the delivery of their housing programmes through the following:



The tender was carried out in strict accordance with the UK Public Contracts Regulations. Places on the framework were awarded to 19 different suppliers in four workstreams. The companies appointed to the framework are experts in their field, with a proven track record in delivering projects with public sector clients.

The term of the framework is from **4th May 2023 to 3rd May 2027**. Individual call-off projects can be completed beyond the four-year duration of the framework as long as a contract is in place prior to the framework expiry date.

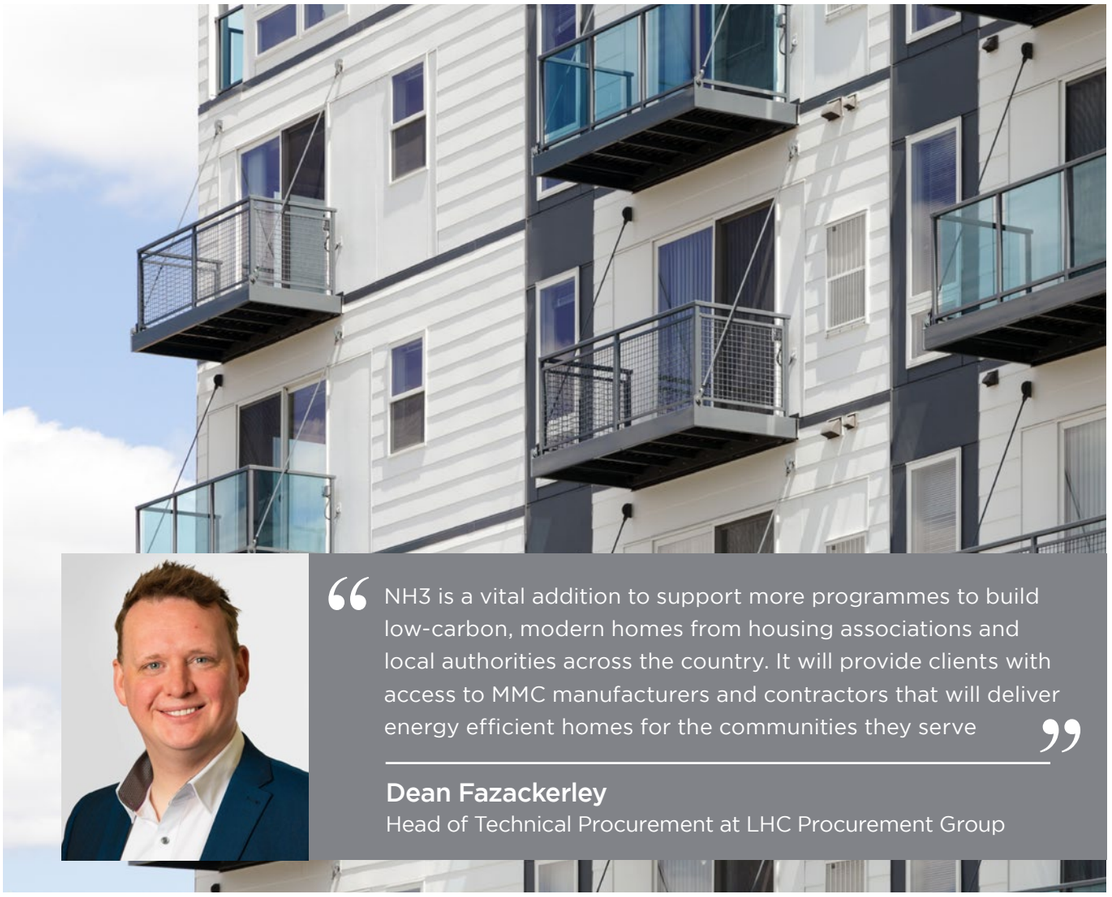
Our vision for the framework

Through NH3, LHC is looking to support the public sector to increase the use of modern methods of construction and deliver low and net zero carbon homes with high levels of pre-manufactured value (PMV).

It has been designed to support social housing providers in addressing some of their new housing challenges around the need for sustainable methods of construction and a greater supply of housing stock that is environmentally fit for the future.

NH3 continues to fulfil a key LHC guiding principle to increase the public sector's access to regional and local supply chains, encouraging SME involvement and driving economic uplift to regional areas.

ABOUT THIS FRAMEWORK
LIFETIME VALUES



> "NH3 is a vital addition to support more programmes to build low-carbon, modern homes from housing associations and local authorities across the country. It will provide clients with access to MMC manufacturers and contractors that will deliver energy efficient homes for the communities they serve"
>
> **Dean Fazackerley**
> Head of Technical Procurement at LHC Procurement Group

LHC Lifetime Values

In addition to providing our clients with competitively tendered Framework Agreements for building works, goods, and services LHC is committed to delivering tangible social value and community benefits that meet local and regional needs. LHC work with our clients and Appointed Companies to ensure that wherever possible projects delivered using our Frameworks leave a social legacy.

LHC has aligned its activities to create the LHC Lifetime Values, which uses the four key value categories as identified in the value toolkit by the Construction Innovation Hub (CIH). CIH has been established by Government to progress innovation in the construction sector.

During the life of the Framework LHC will work with clients and Appointed Companies to promote, identify, implement, and monitor the impact of these value categories, which could be supported by social value and community benefit initiatives alongside the delivery of the works or service contracts in meeting local/regional needs.

WORKSTREAMS
LOT OPTIONS

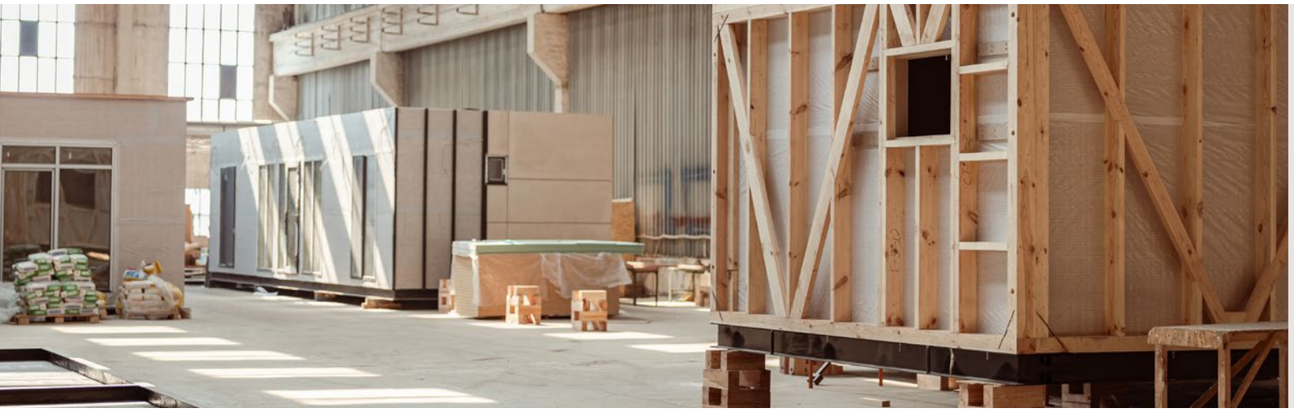
WORKSTREAM 1 – 3D MODULAR SYSTEMS

A systemised approach based on volumetric construction involving the production of three-dimensional units in controlled factory conditions prior to the final installation.

Volumetric units can be brought to site in a variety of forms ranging from a basic structure to one with all internal and external finishes and services installed.

This workstream also allows for the installation of volumetric units and includes low rise housing, high rise housing, independent and assisted housing, care homes and adaptive pods.

Low Rise Housing and Apartments up to 11m floor height - 4 project unit bands:			
0 to 9 units	10 to 19 units	20 to 49 units	50 units and over
Independent and Assisted Housing and Care Homes			



WORKSTREAM 2 – 2D PANELISED SYSTEMS

A systemised approach using flat panel units used for basic floor, wall and roof structures of varying materials which are produced in a factory environment and assembled by the workforce to produce a three-dimensional structure.

The most common approach is to use open panels, or frames which consist of a skeletal structure only with services, insulation, external cladding and internal finishing being installed on-site.

There is a supply only lot and a supply and installation lot for panelised systems such as timber, light gauge steel frames and structural insulated panels (SIPS) or other alternatives.

2D Panelised Systems	
Supply only	Supply and Install

WORKSTREAMS
LOT OPTIONS

WORKSTREAM 3 – MAIN CONTRACTORS

This workstream for main contractors focuses on organisations that provide MMC solutions and principal contractor services to deliver all scopes of a construction project including design, manufacturing, groundworks, installation (sub and super structure), handover and post construction. This also includes the ability for an organisation to supply through either an internal manufacturing facility, nominated third party or another organisation awarded on the framework supplying all MMC categories.

This workstream includes low rise housing, high rise housing, care homes, other specialised housing and room on the roof projects.

Low Rise Housing and Apartments up to 11m floor height - 4 project unit bands:			
0 to 9 units	10 to 19 units	20 to 49 units	50 units and over
High Rise Housing 11m floor height or higher	Care Homes and Specialised Housing		Room on the Roof

WORKSTREAM 4 – GROUNDWORKS AND ASSOCIATED WORKS

This workstream allows flexibility for a client to select a groundworks contractor working in combination with workstreams 1 and 2 with the view of completing all site preparation and clearance and substructure works with a separate contractor to complete superstructure works.

WORKSTREAM SUPER LOTS

A super lot is in operation for the following workstreams where a client may carry out a mini competition to all other companies within the workstream if they do not receive sufficient expressions of interest from those companies within their region (subject to restrictions):

Workstream 1 – 3D Modular Systems

Low Rise Housing and Apartments up to 11m floor height - 4 project unit bands:			
0 to 9 units	10 to 19 units	20 to 49 units	50 units and over

Workstream 3 – Main Contractors

Low Rise Housing and Apartments up to 11m floor height - 4 project unit bands:			
0 to 9 units	10 to 19 units	20 to 49 units	50 units and over

APPOINTED COMPANIES

AWARDED WORKSTREAMS (All Appointed Companies are listed alphabetically)

WORKSTREAM 1 – 3D MODULAR SYSTEMS

Low Rise Housing and Apartments up to 11m floor height - 0-9 Units

East of England - H	London - I	South East England - J
J.G Hale Construction	J.G Hale Construction	J.G Hale Construction
Reds10 (UK)	Reds10 (UK)	Reds10 (UK)
Rollalong	Rollalong	Rollalong
ZED PODS	ZED PODS	ZED PODS

East Midlands - F	West Midlands - G	East of England - F2 & H1
J.G Hale Construction	J.G Hale Construction	J.G Hale Construction
Reds10 (UK)	Reds10 (UK)	Reds10 (UK)
ZED PODS	ZED PODS	ZED PODS

Low Rise Housing and Apartments up to 11m floor height - 10-19 Units

East of England - H	London - I	South East England - J
J.G Hale Construction	J.G Hale Construction	J.G Hale Construction
Reds10 (UK)	Reds10 (UK)	Reds10 (UK)
Rollalong	Rollalong	Rollalong
ZED PODS	ZED PODS	ZED PODS

East Midlands - F	West Midlands - G	East of England - F2 & H1
J.G Hale Construction	J.G Hale Construction	J.G Hale Construction
Reds10 (UK)	Reds10 (UK)	Reds10 (UK)
ZED PODS	ZED PODS	ZED PODS

Low Rise Housing and Apartments up to 11m floor height - 20-49 Units

East of England - H	London - I	South East England - J
J.G Hale Construction	J.G Hale Construction	J.G Hale Construction
Reds10 (UK)	Reds10 (UK)	Reds10 (UK)
Rollalong	Rollalong	Rollalong

East Midlands - F	West Midlands - G	East of England - F2 & H1
J.G Hale Construction	J.G Hale Construction	J.G Hale Construction
Reds10 (UK)	Reds10 (UK)	Reds10 (UK)

Low Rise Housing and Apartments up to 11m floor height - 50 units and over

East of England - H	London - I	South East England - J
J.G Hale Construction	J.G Hale Construction	J.G Hale Construction
Reds10 (UK)	Reds10 (UK)	Reds10 (UK)

East Midlands - F	West Midlands - G	East of England - F2 & H1
J.G Hale Construction	J.G Hale Construction	J.G Hale Construction
Reds10 (UK)	Reds10 (UK)	Reds10 (UK)

APPOINTED COMPANIES

AWARDED WORKSTREAMS (All Appointed Companies are listed alphabetically)

Independent and Assisted Housing and Care Homes

East of England - H	London - I	South East England - J
Rollalong	Rollalong	Rollalong

Adaptive Pods

East Midlands - F	West Midlands - G	East of England - F2 & H1
CoreHaus	--	CoreHaus

WORKSTREAM 2 – 2D PANELISED SYSTEMS

Supply Only

East of England - H	London - I	South East England - J
J.G Hale Construction	J.G Hale Construction	J.G Hale Construction
LoCal Homes	LoCal Homes	LoCal Homes

East Midlands - F	West Midlands - G	East of England - F2 & H1
J.G Hale Construction	J.G Hale Construction	J.G Hale Construction
LoCal Homes	LoCal Homes	LoCal Homes

Supply and Install

East of England - H	London - I	South East England - J
Donaldson Timber Systems	Donaldson Timber Systems	Donaldson Timber Systems
Etex uk Remagin	Etex uk Remagin	Etex uk Remagin
J.G Hale Construction	J.G Hale Construction	J.G Hale Construction
LoCal Homes	LoCal Homes	LoCal Homes

East Midlands - F	West Midlands - G	East of England - F2 & H1
Donaldson Timber Systems	Donaldson Timber Systems	Donaldson Timber Systems
Etex uk Remagin	Etex uk Remagin	Etex uk Remagin
J.G Hale Construction	J.G Hale Construction	J.G Hale Construction
LoCal Homes	LoCal Homes	LoCal Homes

WORKSTREAM 3 – MAIN CONTRACTORS

Low Rise Housing and Apartments up to 11m floor height - 0-9 Units

East of England - H	London - I	South East England - J
Burmor Construction	Elkins Construction	Beard
Elkins Construction	Kind & Company (Builders)	Elkins Construction
Kind & Company (Builders)	Rollalong	Kind & Company (Builders)
Rollalong	ZED PODS	Rollalong
Spacemaker Developments	--	ZED PODS
ZED PODS	--	--

East Midlands - F	West Midlands - G	East of England - F2 & H1
Burmor Construction	ZED PODS	Burmor Construction
R G Carter Cambridge	--	R G Carter Cambridge
Spacemaker Developments	--	Spacemaker Developments
ZED PODS	--	ZED PODS

APPOINTED COMPANIES

AWARDED WORKSTREAMS (All Appointed Companies are listed alphabetically)

Low Rise Housing and Apartments up to 11m floor height - 10-19 Units

East of England - H	London - I	South East England - J
Burmor Construction	Elkins Construction	Beard
Elkins Construction	Kind & Company (Builders)	Elkins Construction
Kind & Company (Builders)	Rollalong	Kind & Company (Builders)
Rollalong	--	Rollalong
Spacemaker Developments	--	--

East Midlands - F	West Midlands - G	East of England - F2 & H1
Burmor Construction	--	Burmor Construction
R G Carter Cambridge	--	R G Carter Cambridge
Spacemaker Developments	--	Spacemaker Developments

Low Rise Housing and Apartments up to 11m floor height - 20-49 Units

East of England - H	London - I	South East England - J
Elkins Construction	Elkins Construction	Beard
Kind & Company (Builders)	Kind & Company (Builders)	Elkins Construction
Rollalong	Rollalong	Kind & Company (Builders)
--	--	Rollalong

East Midlands - F	West Midlands - G	East of England - F2 & H1
R G Carter Cambridge	--	R G Carter Cambridge

Low Rise Housing and Apartments up to 11m floor height - 50 units and over

East of England - H	London - I	South East England - J
Kind & Company (Builders)	Kind & Company (Builders)	Kind & Company (Builders)

East Midlands - F	West Midlands - G	East of England - F2 & H1
R G Carter Cambridge	--	R G Carter Cambridge

High Rise Housing - 11m or Higher

East of England - H	London - I	South East England - J
R G Carter Cambridge	--	R G Carter Cambridge

East Midlands - F	West Midlands - G	East of England - F2 & H1
R G Carter Cambridge	--	R G Carter Cambridge

Care Homes and Specialised Housing

East of England - H	London - I	South East England - J
Kind & Company (Builders)	Kind & Company (Builders)	Kind & Company (Builders)
R G Carter Cambridge	Rollalong	R G Carter Cambridge
Rollalong	--	Rollalong

East Midlands - F	West Midlands - G	East of England - F2 & H1
R G Carter Cambridge	--	R G Carter Cambridge

Room on the Roof

East of England - H	London - I	South East England - J
Kind & Company (Builders)	Kind & Company (Builders)	Kind & Company (Builders)
ZED PODS	ZED PODS	ZED PODS

East Midlands - F	West Midlands - G	East of England - F2 & H1
ZED PODS	ZED PODS	ZED PODS

APPOINTED COMPANIES

AWARDED WORKSTREAMS (All Appointed Companies are listed alphabetically)

WORKSTREAM 4 – GROUNDWORKS AND ASSOCIATED WORKS

Groundworks an Associated Works

East of England - H	London - I	South East England - J
E. J. Taylor & Sons	GB Construction	GB Construction
GB Construction	Natta Building Company	--
Natta Building Company	--	--

East Midlands - F	West Midlands - G	East of England - F2 & H1
GB Construction	Knights Construction	GB Construction
VHE Construction	VHE Construction	Natta Building Company
--	--	VHE Construction

WORKSTREAM SUPER LOTS

3D Modular Systems - Low Rise Housing

East of England - H	London - I	South East England - J
J.G Hale Construction	J.G Hale Construction	J.G Hale Construction
Reds10 (UK)	Reds10 (UK)	Reds10 (UK)
Rollalong	Rollalong	Rollalong
ZED PODS	ZED PODS	ZED PODS

East Midlands - F	West Midlands - G	East of England - F2 & H1
J.G Hale Construction	J.G Hale Construction	J.G Hale Construction
Reds10 (UK)	Reds10 (UK)	Reds10 (UK)
ZED PODS	ZED PODS	ZED PODS

Main Contractors - Low Rise Housing

East of England - H	London - I	South East England - J
Burmor Construction	Elkins Construction	Beard
Elkins Construction	Kind & Company (Builders)	Elkins Construction
Kind & Company (Builders)	Rollalong	Kind & Company (Builders)
Rollalong	ZED PODS	Rollalong
Spacemaker Developments	--	ZED PODS
ZED PODS	--	--

East Midlands - F	West Midlands - G	East of England - F2 & H1
Burmor Construction	ZED PODS	Burmor Construction
R G Carter Cambridge	--	R G Carter Cambridge
Spacemaker Developments	--	Spacemaker Developments
ZED PODS	--	ZED PODS

APPOINTED COMPANIES

ACROSS MIDLANDS, LONDON AND SOUTH EAST OF ENGLAND

ELKINS construction

Beard

burmor construction

COREHAUS MODULAR HOUSING SOLUTIONS

Donaldson Timber Systems

E.J. TAYLOR & SONS LIMITED

GBC BUILD-REFURBISH-MAINTAIN

Hale

kind

KNIGHTS CONSTRUCTION GROUP

local homes low carbon living

NATTA modern thinking traditional values

CARTER

REDS10

ROLLALONG PERMANENT OFFSITE CONSTRUCTION

smd

VHE

7 PODS

remagin

etex inspiring ways of living

EVALUATION

WEIGHTING, ACCREDITATION AND CERTIFICATIONS

Quality Weighting 80%

Workstreams 1, 2 & 3

Technical questions and case studies	50%
Regional questions	15%
Factory assessment	15%

Workstream 4

Technical questions and case studies	65%
Regional questions	15%

Price Weighting 20%

Workstreams 1 and 2

Manufacture, Delivery and Installation	10%
Overheads and Profits	5%
Scenario	5%

Workstreams 3 and 4

New Build Management Fees, JCT Contracts	10%
New Build Management Fees, NEC Contracts	5%
New Build Management Fees, other type of contract	5%

80% Quality | 20% Price

Accreditations and Certifications

In order to be considered eligible for this Framework, Appointed Companies were required to evidence that they had the relevant health and safety, environmental, equality and quality systems as listed below:

Environmental Management

Appointed Companies on workstreams 1, 2 and 3 must hold UKAS (or equivalent) accredited independent third-party certificate of compliance BS EN ISO 14001 (or equivalent) or a valid EMAS (or equivalent) certificate.

Health and Safety

The appointed company must hold a UKAS (or equivalent), accredited independent third party certificate of compliance in accordance with ISO 45001 (or equivalent) or have, within the last 12 months, successfully met the assessment requirements of a construction-related scheme in registered membership of the Safety Schemes in Procurement (SSIP) forum or equivalent such as STA AssureGold membership.

Quality Management

Appointed Companies on workstreams 1, 2 and 3 must hold UKAS (or equivalent) accredited independent third-party certificate of compliance in accordance with BS EN ISO 9001 (or equivalent).

Compliance with Equality Act 2010

Appointed Companies were required to evidence through several confirmatory statements that they are compliant with the Equality Act 2010 and have robust measures in place to promote equality and diversity within their organisation.

EVALUATION
CRITERIA CONTINUED

Insurance Requirements

Throughout the duration of the framework Appointed Companies are required to have the minimum levels of insurance as set out in the table below:

Workstream 1 - 3D Modular Low Rise Housing and Apartments up to 11m floor height	
Insurance	**Value**
Employers (Compulsory) Liability Insurance	£5,000,000
Public Liability Insurance	£5,000,000
Product Liability Insurance	£2,000,000

Workstream 2 – 2D Panelised Systems	
Insurance	**Value**
Employers (Compulsory) Liability Insurance	£5,000,000
Public Liability Insurance	£5,000,000
Product Liability Insurance	£2,000,000

Workstream 3 – Main Contractor	
Insurance	**Value**
Employers (Compulsory) Liability Insurance	£5,000,000
Public Liability Insurance	£5,000,000
Product Liability Insurance	£2,000,000

Workstream 4 – Groundworks and Site Preparation for New Build Housing Projects	
Insurance	**Value**
Employers (Compulsory) Liability Insurance	£5,000,000
Public Liability Insurance	£5,000,000
Professional Indemnity Insurance	£1,000,000

EVALUATION
CRITERIA

A single stage open tender process was used as set out within the Public Contracts Regulations 2015. The following qualification criteria were used to assess the suitability of applicants.

Financial Stability Assessment

Appointed Companies were assessed on their financial stability based on a range of financial information including annual turnover, post-tax profit and current liabilities and checked via Creditsafe. The results of this check were assessed on a pass/fail basis. In addition to the financial stability assessment, the minimum average annual turnover requirement for each lot is as follows:

WORKSTREAM 1 – 3D MODULAR SYSTEMS		
Lot	**Lot Description**	**Turnover Required**
1	Low Rise Housing and Apartments up to 11m - 0-9 Units	£1 Million
2	Low Rise Housing and Apartments up to 11m - 10-19 Units	£3 Million
3	Low Rise Housing and Apartments up to 11m - 20-49 Units	£7.5 Million
4	Low Rise Housing and Apartments up to 11m - 50+ Units	£20 Million
5	High Rise Housing - 11m or Higher	£20 Million
6	Care Homes and Specialised Housing	£10 Million
7	Adaptive Pods	£200,000
WORKSTREAM 2 – 2D PANELISED SYSTEMS		
8	Supply Only	£3 Million
10	Supply and Install	£4 Million
WORKSTREAM 3 – MAIN CONTRACTORS		
11	Low Rise Housing and Apartments up to 11m - 0-9 Units	£2 Million
12	Low Rise Housing and Apartments up to 11m - 10-19 Units	£4 Million
13	Low Rise Housing and Apartments up to 11m - 20-49 Units	£8 Million
14	Low Rise Housing and Apartments up to 11m - 50+ Units	£40 Million
15	High Rise Housing - 11m or Higher	£40 Million
16	Care Homes and Specialised Housing	£15 Million
17	Room on the Roof	£2 Million
WORKSTREAM 4 – GROUNDWORKS AND ASSOCIATED WORKS		
18	Groundworks and Associated Works	£750,000

CALL-OFF AWARD OPTION

THE FRAMEWORK ALLOWS PARTNERS THE OPTION OF:

Direct award without further competition, where all terms and conditions of the call-off project are within the terms and conditions of the framework

OR

Mini-competition, where terms and conditions of the call-off may vary or be modified from the framework or at the choice of the Partner.

When calling off projects, clients can use any one of a range of standard forms of building contract including JCT/SBCC, NEC/NEC4, ACE, PPC, TPC, FAC1, or their own in-house agreement.

ELIGIBILITY

LHC Procurement Group is a not-for-profit organisation, governed by public law and a central purchasing body providing procurement services. Over 200 publicly funded organisations throughout England use LHC frameworks to procure works, goods and services to construct, refurbish and maintain social housing, schools and public buildings:

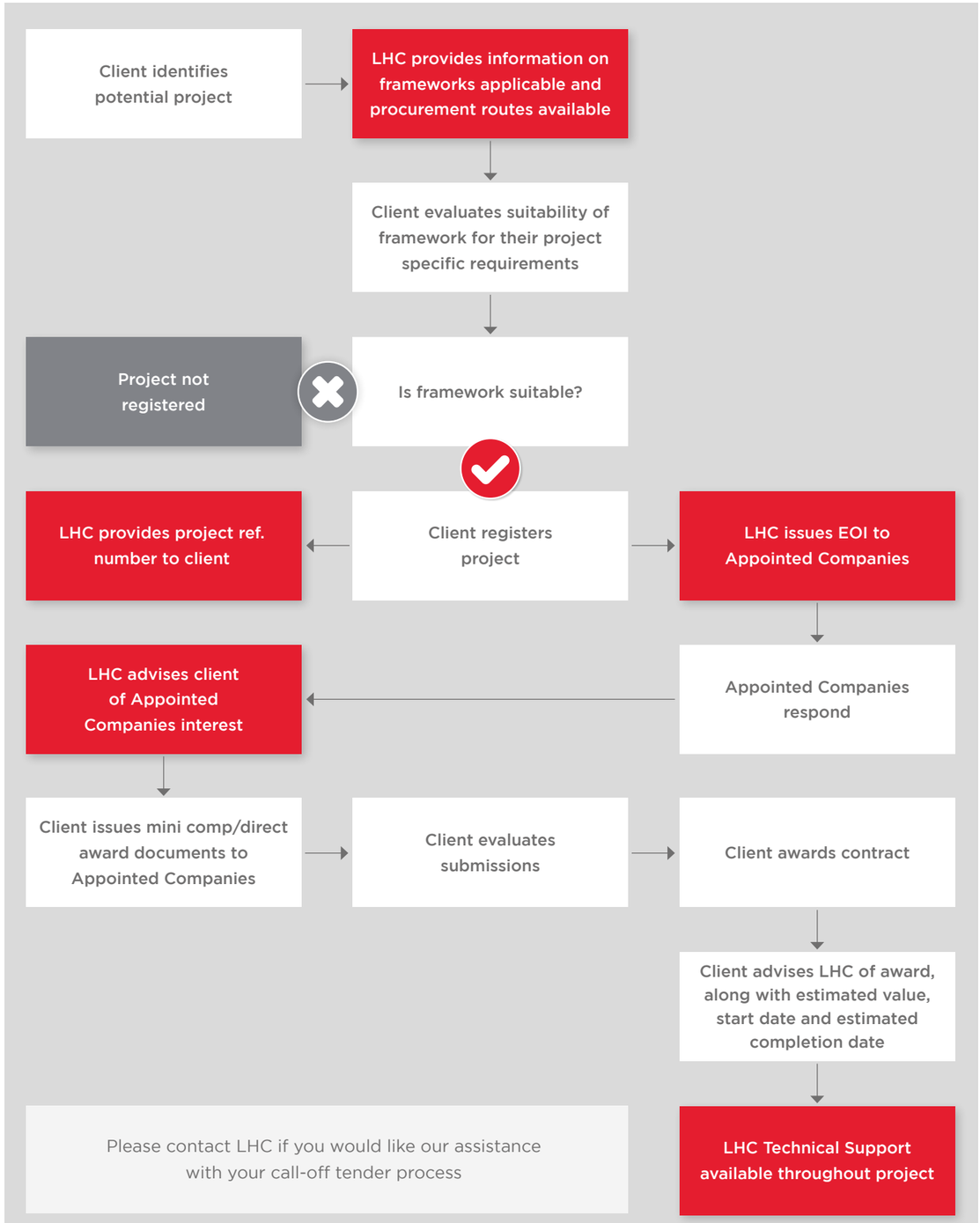
- Local Authorities and any subsidiaries and joint-venture vehicles of those Local Authorities.
- Registered Social Landlords (RSL), Tenant Management Organisations (TMOs) & Arm's Length Management Organisations (ALMOs)
- Registered Charities
- Publicly Funded Schools
- Universities and Further Education Establishments
- Colleges
- Police Forces
- Fire and Rescue services
- Health Authorities, Councils, Boards and Trusts

Details of those contracting authorities identified are listed at:
lse.lhcprocure.org.uk/who-we-work-with/

GENERAL TERMS AND CONDITIONS

LHC uses the FAC-1 standard form of contract to manage our frameworks. The LHC pro forma, which should be read in conjunction with the FAC-1 in published form, details the terms and conditions that govern the operation of the framework, including the procedures to call off projects under the framework. A free copy of the LHC proforma is available upon request. The FAC-1 in standard published form can be purchased at a negotiated rate from ACA, by emailing office@acarchitects.co.uk and quoting discount code reference: LHCFAC2516102017.

THE PROCESS OF USING OUR FRAMEWORK



LHC
MIDLANDS
LONDON
SOUTH EAST

LHC
3rd Floor | 2 Vine Street |
Uxbridge | UB8 1QE

01895 274 800
info@lseprocure.org.uk
@lhcprocurement
linkedin.com/company/lhc

In association with:

LHC
PROCUREMENT GROUP