



Scunthorpe Transforming Housing Fund Policy and Guidance

**North
Lincolnshire
Council**

Transforming Housing Programme

A total of £3.2m has been allocated from the Scunthorpe Towns Fund Programme to support in the delivery of at least 400 new homes.

The funding will be used to acquire, enable and prepare land for housing delivery and to support high quality development solutions.

The overall objectives for this programme are:

- To overcome barriers to development in order to accelerate the delivery of high-quality market and affordable housing to meet local need and demand;
- To promote sustainable development which integrates well with our existing communities, supports our regeneration objectives and contributes to national objectives to achieve net zero by 2050;
- To contribute towards improved health and wellbeing outcomes through appropriate housing and scheme design;
- To attract investment to Scunthorpe, raise the profile of the place and provide a stimulus for market-led development to support growth;
- To support a vibrant town centre through the repurposing and renewal of vacant or underused sites and premises for residential use



Housing Fund

As part of this housing programme, a grant investment fund is being created to support with the cost and viability of delivering high quality homes in Scunthorpe, with a primary focus on the town centre and urban core.

Funds are available to support schemes which will address one or more of the following measures:

- Conversion of vacant commercial floorspace to residential use
- Bringing back empty homes into residential use
- Development of new-build homes

The Fund will support high quality development solutions which meet local planning policy objectives and national design guidance.

Homes to be supported through this fund should:

- Aim to achieve National Described Space Standards where this is possible (see Appendix 2)
- Aim to achieve the highest possible energy efficiency rating as measured via an Energy Performance Certificate (EPC). As a minimum, conversions and retrofit proposals should seek to achieve a C rating. All proposals for new-build properties should seek to achieve a minimum A rating.
- Contribute towards local policy objectives, including within the **Local Development Framework** In

Particular, please refer to Core Strategy Policies:

- Policy CS2 Delivering More Sustainable Development
- Policy CS5 Creating Quality Design
- Chapter 8 Delivering Better Homes in North Lincolnshire
- Follow best practice set out in the National Design Guide
- Promote accessibility and to M4(2 and or M4(3) building regulations (Adaptable/Wheelchair or to Lifetime Homes Standard) where possible
- Applications for the development of HMOs will not normally be supported.

Priority Area of Operation

The fund will actively target and prioritise projects which are located within Scunthorpe town centre and the immediate approaches to the town centre. A map of this area is included as Appendix 1.

The following streets are included in this area:

- Scunthorpe High Street
- Dunstall Street
- Laneham Street
- Frances Street
- Ravendale Street North

- Robert Street
- Belgrave Square
- Cole Street

- Jubilee Way
- Market Hill
- Manley Street
- Mary Street
- Fenton Street
- Lindum Street
- Oswald Road
- Doncaster Road
- Teale Street
- Porter Street
- Smith Street
- Fox Street
- Berkeley Street

Proposals that come forward within the primary shopping area will normally only be considered for support where the residential use is above the ground floor level.

Grants are discretionary and subject to the availability of funds. The inclusion of a building within the Priority Area of Operation does not give any automatic entitlement to a grant.

Applications outside of the defined priority area but within the Town or Frodingham ward area will be considered.

Funding Available

Funding will be available up to:

- a) a maximum of 50% total of the eligible expenditure; and
- b) with a cap of £25,000 per dwelling created or brought back into use where the minimum EPC standard is achieved (a rating of C for conversions/retrofit and A for new build).

The total maximum funding allocation for any approved scheme will be £300,000.

Applicants will be expected to make use of other national or local funds which may be available to support the upgrade of property and installation of energy efficiency measures or specific adaptations in the first instance in order to minimise any grant requested through this scheme.

This will help us to maximise the number of schemes we can support to come forward. For details on schemes that may be available please visit: www.gov.uk/improve-energy-efficiency

Exceptions

In exceptional circumstances, the Council may consider:

- Supporting a scheme which is located outside of the Priority Area of Operation; and/or
- Providing additional funding

Exceptional schemes will need to demonstrate a strong case for support, exemplary standards, innovation and significant additional benefits, achieving a maximum score across all of the Assessment Criteria.

All projects must be within the wider Scunthorpe Town Fund area.

All funding will be subject to compliance with subsidy control legislation.

What is eligible?

Eligible expenditure includes:

- Internal and external building works to create or reinstate a dwelling, including electrical work, heating and plumbing, doors and windows, kitchen and bathroom installation, plastering and decoration, roofing.
- Infrastructure costs to enable the development of new-build homes such as access, servicing, remediation.

- Measures to improve the energy efficiency of homes, including improvements to the fabric of the building, low carbon heating systems and renewables.
- Measures to improve the accessibility and adaptability of homes.
- Professional fees (up to a maximum of 10% total project costs)

All Eligible expenditure must:

- a) be carried out by professionally qualified professionals; and
- b) meet current Building Regulations and approval must be obtained from North Lincolnshire Council Building Control; and
- c) secure planning permission (if required) in advance of any work being undertaken.

What isn't eligible?

Ineligible expenditure includes:

- General repair and maintenance work where this will not result in the creation or reinstatement of a dwelling
- Moveable fittings such as soft furnishing, beds,

wardrobes, tables, chairs, curtains, television and audio equipment, white kitchen goods

- Excessive revenue costs/fees
- Ongoing revenue running costs once Practical Completion has been achieved

- Statutory fees (e.g. planning fees)
- Retrospective applications where work has already been completed or is underway
- Recoverable VAT

Payment

Grant payments shall be in arrears and therefore applicants will need to demonstrate that sufficient funds are in place to cover the project costs until such time as the grant can be claimed.

Stage payments shall be agreed on a scheme-by-scheme basis and a payment schedule shall form part of the Grant Funding Agreement with successful applicants.

Evidence of eligible expenditure will be required in the form of invoices, interim and final valuation certificates as required.

An EPC prior to the works (where appropriate) and on completion shall also be required.

Building regulations approval must be obtained from North Lincolnshire Council. 5% of the total grant award shall be retained until a completion certificate has been obtained.

Who can apply?

Applicants must own the property or site to be developed or hold a lease with a minimum remaining term of at least 10 years.

Proof of ownership or lease agreement must be provided.

In addition, leaseholders must obtain written consent from the landlord for the proposed works.

Timescales

Applications shall be assessed on a rolling basis up to the closing date of 31st March 2023 or until funds are fully committed (whichever comes sooner).

All schemes that receive funding must be completed by March 2025.

Information Required

The following information will be required to support an application for funding. Incomplete applications will not proceed to assessment until all of the information has been submitted:

1. Copy of your Annual Accounts for the last 3 years, including P&L, Balance Sheet and Balance Sheet Notes
2. Evidence of private match funding in support of this scheme for example in the form of an offer letter from your bank or a bank statement showing balances if reserves are to be used
3. Evidence of any other grant funding in support of this scheme
4. Detailed scheme plans such as:
 - a. Site plan, drawings and elevations
 - b. Schedule of floorspace
 - c. Schedule of works & specifications
 - d. Programme for the works
5. A Development Appraisal which sets out the total development costs and values expected to be derived from the scheme
6. Insurance certificates
7. EPC Certificate
8. Copy of any statutory consents (where obtained)
9. Property title (freeholders)
10. Lease or rental agreement (leaseholders only)
11. Written confirmation of permission from landlord (leaseholders only)
12. Subsidy Control Statement (where the cumulative amount of grant received in support of the scheme costs or over the past 3 years will be > £315,000)
13. Evidence of costs – a minimum of 3 quotations, which must have been obtained by running an open and transparent tender process. Specific requirements will depend on the value of works you are proposing as follows:



Value (Whole life including extensions)	Process/minimum requirements	Timescales	Evaluation
£5,000 but less than £50,000,	<ul style="list-style-type: none"> • securing minimum of 3 written quotations based on a specification to demonstrate competition and value for money. • You must advertise the request for quote on an open and publicly available platform. • Your requests of bidders should be proportionate to the value and complexity of your requirement • Treating all potential suppliers equally and fairly is crucial for securing a successful outcome and minimising the risk of a challenge. 	<ul style="list-style-type: none"> • The request for quote documentation must be advertised for a minimum of 10 calendar days 	<ul style="list-style-type: none"> • The evaluation of requests for quotation or bids should be based on objective, transparent criteria and fully disclosed to bidders in advance of them submitting their bids. • The criteria should be either: <ul style="list-style-type: none"> • Lowest “compliant” price; compliant meaning ability to meet the specification in full; (requirements are well defined); or • Most Economically Advantageous (MEAT) – a mix of price and quality, setting out the % weighting allocated to price/quality and any sub criteria used.
£50,000 plus	<ul style="list-style-type: none"> • securing minimum of 3 written quotations based on a specification to demonstrate competition and value for money. • You must advertise the request for quote on an open and publicly available platform. • Your requests of bidders should be proportionate to the value and complexity of your requirement • Treating all potential suppliers equally and fairly. 	<ul style="list-style-type: none"> • The request for quote documentation must be advertised for a minimum of 10 calendar days 	<ul style="list-style-type: none"> • The evaluation of requests for quotation or bids should be based on objective, transparent criteria and fully disclosed to bidders in advance of them submitting their bids. • The criteria should be - Most Economically Advantageous (MEAT) – a mix of price and quality, setting out the % weighting allocated to 70% price and 30% quality, and any sub criteria used.

Subsidy Control

The EU State aid rules no longer apply to subsidies granted in the UK. However, the UK remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU.

Grants may be paid in accordance with Article 3.2(4) of the TCA, which enables an applicant to receive up to a maximum level of subsidy without engaging Chapter 3 of the TCA. This allowance is 325,000 Special Drawing Rights, to a single economic actor over any period of three fiscal years. In the future, the 'small amounts of financial assistance' exemption under the TCA will be replaced by 'minimal financial assistance' under the Subsidy Control Act when it fully comes into force. Therefore, the minimal assistance given to any beneficiary must not exceed £315,000 over a three-year period.

Any applicants applying for a grant must complete a declaration statement as part of the application process to confirm whether they have received any other financial amounts within the last 3 years. If the applicant has sufficiently met the criteria, then the application can continue to be processed in accordance with the rest of the application criteria.

If the applicant confirms that they have received subsidy which is over the threshold mentioned above, then the Council will have to carry out a further assessment of the application against the subsidy regime. The Council would need to satisfy itself that the grant being offered would be consistent with the subsidy control principles as specified in the Subsidy Control Act 2022 (if in force) and EU-UK Trade and Co-operation Agreement.

If after undertaking the assessment, the Council cannot satisfy itself that the application and/or any grant funding in line with that application is consistent with the principles, then the application shall be rejected.

The Council will not award any grant considered to be non-compliant with the subsidy principles mentioned above.

Please access this [link](#) for further information on Subsidy Control



Assessment Process

Applications will be assessed against 3 key measures as follows:

- 1. Quality:** The extent to which the proposal will contribute towards the objectives for this scheme and the wider policy objectives for the area, meeting or exceeding targets relating to EPC and space standards, level of commitment to good design and innovation.
- 2. Deliverability:** The capability and capacity of the applicant and professional team to deliver the project, the extent to which funds are in place or a strategy to secure funding is in place, the extent to which consents are in place or a strategy to achieve these in good time, ownership and permissions in place, the financial standing of the business.
- 3. Value for Money:** The amount of funding requested as a proportion of the overall total and compared with the total housing output, proven requirement for funding to support viability and uplift in quality.

Applications will be awarded a score of between 0-5 for each of the measures above, where 5 is the maximum score and 0 is the minimum possible score.

Applications must achieve a minimum score of 3 against each of the measures to be considered for an award. The scoring criteria is included as Appendix 3.

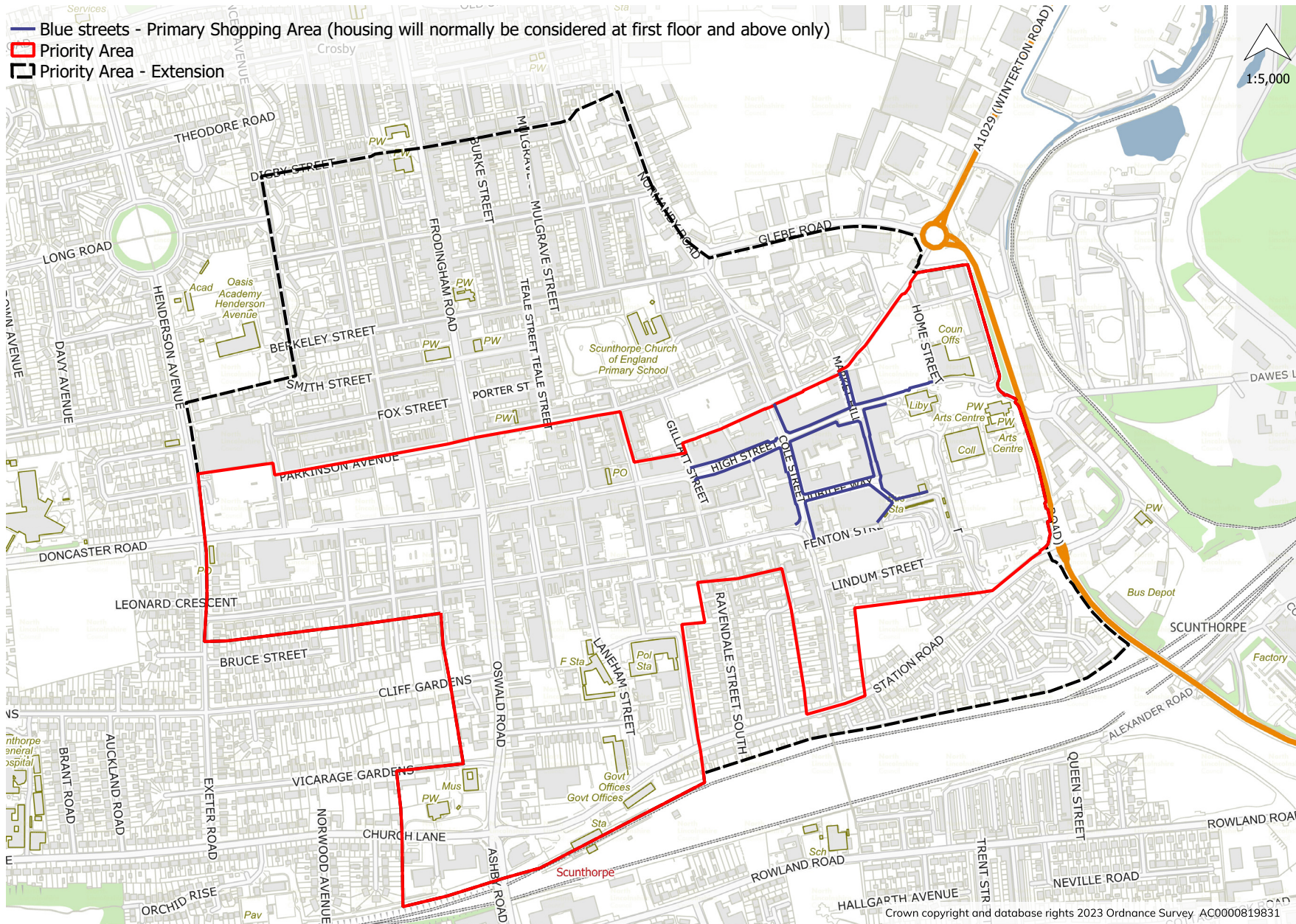
Applicants will be subject to a financial background check prior to any award decision.

A Project Board will oversee the final decision on whether to award a grant and the amount of grant to be awarded.

The decision of the Project Board is final and there shall be no right of appeal.



Appendix 1 - Priority Intervention Area



Appendix 2 - Nationally Described Space Standards

Table 1 - Minimum gross internal floor areas and storage (m2)

Number of bedrooms(b)	Number of bed spaces (persons)	1 storey dwellings	2 storey dwellings	3 storey dwellings	Built-in storage
1b	1p	39 (37)*			1.0
	2p	50	58		1.5
2b	3p	61	70		2.0
	4p	70	79		
3b	4p	74	84	90	2.5
	5p	86	93	99	
	6p	95	102	108	
4b	5p	90	97	103	3.0
	6p	99	106	112	
	7p	108	115	121	
	8p	117	124	130	
5b	6p	103	110	116	3.5
	7p	112	119	125	
	8p	121	128	134	
6b	7p	116	123	129	4.0
	8p	125	132	138	

Appendix 3 - Scoring Criteria

All applications will be assessed against 3 key measures:

- 1. Quality:** Assessment will be based on the extent to which the proposal will contribute towards the objectives for this scheme and the wider policy objectives, meeting or exceeding targets relating to EPC and space standards, level of commitment to good design and innovation.
- 2. Deliverability:** Assessment based on the capability and capacity of the applicant and professional team to deliver the project, the extent to which funds are in place or a strategy to secure funding is in place, the extent to which consents are in place or a strategy to achieve these in good time, ownership and permissions in place.
- 3. Value for Money :** Assessment based on the amount of funding requested as a proportion of the overall total and compared with the total housing output, proven requirement for funding to support viability and uplift in quality.

Applications will need to achieve a minimum score of 3 against each of the measures above in order to be considered for a funding award.

Applications will be assessed on the following basis.

Assessment	Marks
Very high standard with no reservations.	5
High standard but falls just short of standard for maximum score of 5.	4
Acceptable standard and meets the minimum requirements for the scheme, although there may be some further work to undertake (for example consents yet to be secured).	3
Poor standard, Significant reservation(s) but demonstrates an understanding of the criterion.	2
Very poor standard, Significant reservation(s) demonstrates a lack of understanding but not sufficient to warrant rejection for the criterion in isolation.	1
Unacceptable Failed to provide a response, or the response provided is wholly inconsistent with the specified requirements and standards with respect to this criterion.	0