

MAYOR OF LONDON

SMALL SITES

x

SMALL BUILDERS

**FUNDING
PROSPECTUS
2022-25**

APPLY FOR FUNDING TO STRENGTHEN LONDON'S SMALL SITES DELIVERY

OVERVIEW

1. WHO CAN APPLY?
2. HOW MUCH FUNDING IS AVAILABLE?
3. KEY OBJECTIVES TO ENABLE:
STRATEGIC OBJECTIVES
PROGRAMME OBJECTIVES
4. HOW FUNDING WILL BE ALLOCATED
5. HOW TO APPLY
6. CLARIFICATIONS
7. CRITERIA AND WEIGHTING
ROUND 1 – SITE RELEASE REVENUE FUNDING
GYPSY, ROMA AND TRAVELLER SITES
ROUND 2 – BEST PRACTICE IN SMALL SITES
DELIVERY
8. FURTHER GUIDANCE AND SUPPORT
9. FAQs
10. KEY DATES
11. APPENDIX – SUPPLEMENTARY FORM

1. WHO CAN APPLY?

Round 1 funding is open to public landowners only, including GLA group partners.

All organisations including public landowners, GLA group partners, small builders/developers, London council teams, community-led housing (CLH) groups, and design or development consultants are eligible to bid for Round 2 funding. Round 2 looks for improved practices around small site delivery and would benefit from collaboration. Those eligible include both councils and wholly owned council housing delivery vehicles. Support is available to develop bids: please contact smallsites@london.gov.uk if required.

2. HOW MUCH FUNDING IS AVAILABLE?

The Mayor set out in his 2022-23 budget that he has provided £900,000 to the programme until 2025. Up to £400,000 is available to support Rounds 1 and 2 in total. There is some flexibility to increase this depending on the strength of individual applications and the cohort of proposals that come forward.

3. KEY OBJECTIVES TO ENABLE

Strategic objectives

Small sites must make a substantially greater contribution to new supply across the city. Doing so can also help to revive the role of small and medium-sized developers in delivering new homes in London. The Small Sites Small Builders programme 2022-25 has been developed to deliver positive outcomes for London against these strategic priorities.

Programme objectives

The Small Sites Small Builders (SSSB) programme was developed by GLA Housing and Land, and Good Growth, to address the need for supporting small and medium-sized enterprises (SMEs) whilst helping public landowners bring forward small sites for development.

The two overarching objectives set for the programme are:

1. bringing small, publicly owned sites forward for residential-led development
2. supporting new and emerging contributors in the market including small builders, developers, small housing associations, and CLH groups.

The measures of success for the programme, which should be delivered through proposals, are:

- more sites brought to market
- improved quality of outcomes on small sites
- a greater number of small builders engaging with the programme.

4. HOW FUNDING WILL BE AWARDED

Bids will be assessed by the GLA in accordance with the full criteria, and weightings are set out against the relevant funding rounds in this document.

Successful projects will be required to enter into a standard form of grant agreement with the GLA for delivery of projects supported by this fund. The form of grant agreement is non-negotiable. Proposed milestones and outputs provided by organisations as part of their bids will be considered by the GLA for incorporation into funding contracts.

Funding is drawn down in two stages: 50 per cent in advance of work being carried out, when funding has been granted; and 50 per cent once work has been completed and demonstrated. The final grant will be released on evidence of achieving outcomes and delivering relevant outputs or reports.

5. HOW TO APPLY

Applications should be made through the Open Project System (OPS). If you have any queries about access to and use of this system, please email smallsites@london.gov.uk to receive guidance and support.

If bidders want to elaborate and expand on applications with supporting visual material, an additional document can be submitted (PDF or similar). This should not exceed six sides of A4 (not including CVs). CVs are not compulsory, but collaborative teams including consultants may wish to provide one.

6. CLARIFICATIONS

If you have any queries prior to the Open Project System (OPS) launch, please email smallsites@london.gov.uk. Once bidding is opened on OPS, clarifications should be made through the relevant section of this platform.

7. CRITERIA AND WEIGHTING

Introduction

This prospectus has been developed to assist teams in developing progressive and thorough bids for grant funding by suitably considering the objectives and desired outcomes of the Small Sites Small Builders programme 2022-25. To be awarded funding, projects will be assessed on criteria related to strategic fit with the programme, value for money and deliverability.

Round 1 – site release revenue funding

Round 1 revenue grant funding is available to carry out site investigation and secure greater confidence in the suitability of housing delivery on public land. The GLA recognises that the land-supply profile across London is highly divergent and therefore expects to support a balance of proposals, to ensure funding can benefit a range of projects.

The programme aims to establish a strong supply of sites to market on the Small Sites portal. Round 1 funding will be prioritised for proposals that support this objective. Grouping of sites in tranches achieves a stronger pipeline of sites and will be looked upon favourably. However, suitable resourcing should be demonstrated for the release of multiple sites at the same time, and release in tranches of three to six sites is preferred. There is no limit to how many sites can be applied for by a single public landowner.

Due-diligence requirements should be met within six months of funding, and sites released to the market through the Small Sites portal within 12 months.

To support these timescales, and efficient delivery of sites and release to market, the GLA has procured a new procurement tool that will substantially reduce the resource required to manage due-diligence surveys and the site-investigation process for public landowners. Although it is not a requirement for sites marketed on the portal, maximising efficiency is key to the programme and the GLA will therefore supply free access to software. Please contact smallsites@london.gov.uk to discuss this route.

There is significant potential for improving delivery on small sites and supporting higher-quality outcomes through early-stage brief forming. Adoption of best-practice bid and evaluation criteria in determining preferred bidders for sites marketed through the programme is therefore strongly encouraged.

Bids are capped at £20,000 per site. The GLA reserves the right to claw back funding where progress against project specifications cannot be evidenced.

Proposals (including joint proposals) for Round 1 will be assessed by the GLA against the criteria and weightings outlined opposite.

Gypsy, Roma and Traveller sites

The programme actively seeks to support new sites for Gypsy, Roma and Traveller provision. Round 1 bids including this provision will be funded if deliverability can be demonstrated. Where Gypsy, Roma and Traveller provision is included, full points will be automatically applied for equality, diversity and inclusion (EDI).

Main submission			
Evaluation: 80% and discretionary pass/fail			
Evaluation criteria		Questions	Weighting
A	Fit with Small Sites Small Builders programme objectives Proposal Form + maximum two sides A4	2 – 5	25%
B	Deliverability - Release strategy/date and progress to date - Project outcomes and evaluation - Milestones Form + maximum two sides A4	3 – 8	45%
C	EDI Successful consideration of key issues and integration with project delivery Form + maximum two sides A4	9	10%
<u>Conflicts of interest:</u> Provide details of actual or potential conflicts of interest that would arise were you to be appointed, and details of how these conflicts would be mitigated.		Discretionary pass/fail	

Score ranges available for allocation	
Excellent, meets criteria exactly	5
Good, most aspects of criteria are met	4
Satisfactory, criteria not met exactly but acceptable	3
Poor, criteria not met and unacceptable	2
Unsatisfactory, no substantive evidence	1
No response	0

Financial submission		
Evaluation: 20%		
Evaluation criteria		Weighting
4	The lowest tender (L) will receive the maximum price score of 100. All other tenders (Ln) will receive a price score relative to the lowest tender ($L/L_n \times 100$). The final score for all tenders will be according to the weighting (20% x price score).	20%

A worked example of financial submission scoring:

	Price (£)	Price score	Price weighting	Final financial score (%)
Tender 1	150	90	20%	18
Tender 2	200	67.5		13.5
Tender 3	250	54		10.8
Tender 4	135	100		20



Round 2 – best practice in small sites delivery grant funding

Round 2 funding will prioritise proposals that can best demonstrate distinctive and progressive approaches to small sites housing delivery in the public sector. These may include, for example, community-led approaches, use of new tools for small site-identification, assessment and release, new construction methods or imaginative housing typologies.

Emphasis should be on supporting and amplifying the work of small builders and developers to deliver more of the housing London needs on small sites. Success will be judged in terms of the added value in unlocking difficult sites, replicability in other areas and contexts, and the extent to which the proposal encourages new approaches or unlocks wider social and community value.

Bids are capped at £50,000 per project. Projects should be concluded and outputs submitted to the GLA within four months. The GLA reserves the right to claw back funding where progress against project specification cannot be evidenced. Proposals (including joint proposals) will be assessed by the GLA against the criteria and weightings outlined below and opposite.

Main submission			
Evaluation: 80% and discretionary pass/fail			
Evaluation criteria		Questions	Weighting
A	Fit with Small Sites Small Builders programme objectives • Proposal • Value to wider stakeholders/replicability • New approaches supported • Numbers of stakeholders supported Form + maximum two sides A4	1 - 5	45%
B	Deliverability • Project outcomes and evaluation • Milestones Form + maximum two sides A4	2 – 8	25%
C	EDI • Meaningful consideration of key issues and integration with project delivery Form + maximum two sides A4	9	10%
<u>Conflicts of interest:</u> • Provide details of actual or potential conflicts of interest that would arise were you to be appointed, and details of how these conflicts would be mitigated.		Discretionary pass/fail	

Score ranges available for allocation	
Excellent, meets criteria exactly	5
Good, most aspects of criteria are met	4
Satisfactory, criteria not met exactly but acceptable	3
Poor, criteria not met and unacceptable	2
Unsatisfactory, no substantive evidence	1
No response	0

Financial submission		
Evaluation: 20%		
Evaluation criteria		Weighting
4	The lowest tender (L) will receive the maximum price score of 100. All other tenders (Ln) will receive a price score relative to the lowest tender (L/Ln x 100). The final score for all tenders will be according to the weighting (20% x price score).	20%

A worked example of financial submission scoring:

	Price (£)	Price score	Price weighting	Final financial score (%)
Tender 1	150	90	20%	18
Tender 2	200	67.5		13.5
Tender 3	250	54		10.8
Tender 4	135	100		20

8. FURTHER GUIDANCE AND SUPPORT

For further reading, bidders are invited to review the programme's [Mayoral Decision](#) and the [Small Sites Small Builders evaluation report](#).

This document sets out the business case for why delivering small sites in London is important, and why the GLA should continue to have a strategic role in this endeavour. It made detailed recommendations to:

1. improve programme strategy and positioning
2. enhance the small-builder engagement and support offer
3. continue to build the pipeline of small sites
4. strengthen the effectiveness of the site-delivery process.

In developing their applications, bidders should review the [Small Sites Small Builders platform](#) on a regular basis, and [sign up to the regular newsletter](#) for further guidance and information as it is published.

Bidders may wish to review the [Small Sites Design Codes LPG](#), the [GLA's Workforce Data Equality Guide: Guidance for SMEs](#), The [Mayor's Architecture + Urbanism Framework](#), and the Mayor of London [Process Note 01 on maximising social value and equality, diversity and inclusion](#) through the procurement of design teams.

9. FAQs

What is a small site?

For the purpose of the programme, small sites are:

- sites suitable for housing under 0.25 hectares, as defined within the London Housing Strategy and the London Plan
- sites that can accommodate fewer than 100 homes
- sites that are considered infill or windfall, or are not allocated for development.

Who are small builders?

Small builders are:

1. a broad range of small organisations that deliver housing – including housing associations; private-sector builders and contractors; CLH organisations; and self-builders
2. micro. small and medium-sized businesses (definitions are provided in this section)
3. entities constituted as a corporate body, or equivalent, wishing to pursue a genuinely community-led scheme that demonstrates adherence to the three community-led principles as set out in the London Housing Strategy
4. small registered providers (delivering fewer than 1,000 homes per annum).

What is an SME?

SMEs are businesses with a turnover of less than £43 million, fewer than 250 employees and a balance sheet total of less than £37 million. Small enterprises are businesses with a turnover and balance sheet of less than £8.6 million and fewer than 50 employees.

What if the site has already received funding from the GLA?

The application should set out all other sources of funding received (or expected). Applications will be assessed on how well they meet the objectives of the programme. Other sources of funding are acceptable.

Do Round 1 sites have to be released through the portal?

Yes, sites funded through Round 1 funding must be marketed through the portal when they are ready for release. They can be marketed elsewhere at the same time.

Can I apply for both rounds?

Yes, applications for both rounds of funding will be accepted. However, deliverability of projects, and sufficient resource, are key considerations and must be made clear in each application.

Does the site need to have planning?

No, sites can be marketed through the portal at any stage of development; to determine the right approach, please contact the programme team by emailing smallsites@london.gov.uk. Sites are expected to be sold, subject to planning.

10. KEY DATES

TIMETABLE	DATE	
	Round 1	Round 2
Small Sites Small Builders 2022-25 prospectus issued	16 June 2023	
Application process launched on OPS	28 June 2023	
Deadline to submit clarification requests	12 July 2023	26 July 2023
Submission deadline	14 August 2023	13 September 2023
Grants awarded	16 October 2023	15 November 2023
Project delivery period	16 October 2023 to 28 March 2024	15 November 2023 to 28 March 2024
Deadline for drawing down all grant funding (via purchase order/invoice and OPS as appropriate)	28 March 2024	

11. APPENDIX – SUPPLEMENTARY FORM

Round 1 – site release revenue funding

If you are applying to bring sites through the programme, please complete this form via Adobe Acrobat, and submit through OPS.

How to fill in the form

The rows highlighted in grey are mandatory and should be completed in full. Written responses are required for these sections, unless they require a numerical answer.

The rest of the form should be used to highlight whether or not the due diligence work outlined is

- complete, meaning: outputs are available to be published on the small sites portal already
- commissioned, but reports have not been finalised and time is needed to complete these
- required, meaning the scope needs to be identified and consultants appointed before the work can be carried out.

Please note that responses on this form will be used as a guide to the documentation requested by the programme once the site is ready to be marketed. There will be an expectation that reports that are currently in progress are provided when the site is marketed through the Small Sites portal.

	SITE 1	SITE 2
Site name and address		
Postcode		
Site description (consider key physical, environmental, policy features)		
Site area (hectares)		
Expected number of homes (total)		
Expected number of affordable homes		
Principle of residential development established in planning policy? If so, please describe how.		
Intention to place additional restrictions on bids (for example, for community-led housing)? If so, please describe what these will be.		

Complete as appropriate: due diligence completed/pending/required		
Title report and searches		
Topographical survey		
Geotechnical survey		
Contamination survey		
Structural assessment		
Asbestos survey		
Party wall survey		
Underground services		
Unexploded Ordnance Survey		
Desktop flood-risk assessment		
Ecology survey		
Arboricultural survey		
Archaeological desktop survey		
Vibration and acoustic survey		
Rights of light		
Daylight & sunlight		
Site access/highways assessment		
Other/abnormals		
Red Book valuation		

	SITE 3	SITE 4
Site name and address		
Postcode		
Site description (consider key physical, environmental, policy features)		
Site area (hectares)		
Expected number of homes (total)		
Expected number of affordable homes		
Principle of residential development established in planning policy? If so, please describe how.		
Intention to place additional restrictions on bids (for example, for community-led housing)? If so, please describe what these will be.		

Complete as appropriate: due diligence **completed/pending/required**

Title report and searches		
Topographical survey		
Geotechnical survey		
Contamination survey		
Structural assessment		
Asbestos survey		
Party wall survey		
Underground services		
Unexploded Ordnance Survey		
Desktop flood-risk assessment		
Ecology survey		
Arboricultural survey		
Archaeological desktop survey		
Vibration and acoustic survey		
Rights of light		
Daylight & sunlight		
Site access/highways assessment		
Other/abnormals		
Red Book valuation		

	SITE 5	SITE 6
Site name and address		
Postcode		
Site description (consider key physical, environmental, policy features)		
Site area (hectares)		
Expected number of homes (total)		
Expected number of affordable homes		
Principle of residential development established in planning policy? If so, please describe how.		
Intention to place additional restrictions on bids (for example, for community-led housing)? If so, please describe what these will be.		

Complete as appropriate: due diligence **completed/pending/required**

Title report and searches		
Topographical survey		
Geotechnical survey		
Contamination survey		
Structural assessment		
Asbestos survey		
Party wall survey		
Underground services		
Unexploded Ordnance Survey		
Desktop flood-risk assessment		
Ecology survey		
Arboricultural survey		
Archaeological desktop survey		
Vibration and acoustic survey		
Rights of light		
Daylight & sunlight		
Site access/highways assessment		
Other/abnormals		
Red Book valuation		

MAYOR OF LONDON