

1. Homebuilding Capacity Fund: Frequently Asked Questions

1. What is the Homebuilding Capacity Fund?

The Homebuilding Capacity Fund is a revenue funding programme which makes up to £10 million available to councils over two years (2019-20 and 2020-21) to support them to develop the skills, capacity and expertise to deliver new approaches to increasing housing supply. It invites bids for funding to support four key priorities where new approaches to increasing housing supply are required if London is to achieve the target set out in the draft London Plan of 65,000 new homes per year over the next 10 years. These priorities are:

- delivering a new generation of council homes;
- increasing housing supply by supporting the development of small sites;
- proactive planning in areas with significant growth potential; and
- ensuring optimal density of new residential developments.

2. What can be funded through the programme?

The programme offers revenue funding only. Proposals which address one or more of the four priorities outlined above can be funded through the programme. The Mayor recognises that councils are at different stages, and so the fund is flexible to allow for councils to identify where they need support within these areas. The prospectus sets out examples of what could be funded under each priority. This includes (but is not limited to) staff members, consultancy support, commissioning studies or providing training for staff.

3. Is there anything which cannot be funded through the programme?

The prospectus outlines the areas which are out of scope. These are:

- Costs that can be capitalised;
- Expenditure which can be funded through other means;
- 'Business as usual expenditure'; and
- Expenditure to deliver strategic planning for areas outside of the scope of paragraphs 20-21 of the prospectus.

Further detail on each of these areas can be found in paragraphs 26 to 30 of the prospectus.

4. Who can bid for funding under the programme?

Councils in London are eligible to bid for funding under the programme.

5. Can council dedicated delivery bodies, rather than councils themselves, bid?

No. The aim of the fund is to build capacity within council housing and planning departments. As such, council delivery bodies cannot bid and bids which propose spending Homebuilding Capacity Fund funding through a dedicated delivery body will not be successful.

6. How much can individual councils bid for?

Councils can put forward one bid for up to £750,000. Within each bid, councils can put forward a maximum of five proposals. Proposals must be independent of each other, and must not together exceed £750,000.

7. Is there a cap on the amount of funding councils can apply for within a proposal?

There is no cap on individual proposals, as long as the total amount within each council's bid does not exceed £750,000. The one exception to this is where a joint proposal is included in the bid (see question 10).

8. When will bidding open and close?

Bidding will open on the GLA's Open Project System in November and will close on 25 January 2019.

9. When will the GLA announce funding allocations?

Funding allocations will be announced in Spring 2019.

10. Can councils submit joint proposals?

Councils can submit one or more joint proposals with other councils. However, joint proposals must be submitted by a single lead accountable organisation and the GLA will contract with the single lead organisation. Joint proposals will not be counted towards each council's £750,000 bid cap, and can be submitted in addition to the five proposals each council can submit individually as part of their bid. Councils are advised to speak to the GLA before submitting a joint proposal.

11. Are bids required to address all four of the funding priorities outlined in the prospectus?

No, councils may choose whether to bid for funding to address one of the priorities, or to bid for funding to address multiple priorities. However, overall the GLA expects to support a balance of proposals to ensure that the funding contributes to delivering all four priorities.

12. Should bids be spatially focussed, or project focussed?

This is up to individual councils to decide. One proposal could include staff who work on a range of sites across a borough, whilst another could be a proposal for staff linked to a specific development. The crucial point is that individual proposals should be independent of one another, as the GLA may not be able to fund every proposal submitted by a council.

13. Can councils request funding to cover the cost of putting together their bid?

No.

14. How will bids be assessed?

Individual proposals will be assessed by the GLA against strategic fit, value for money and deliverability. Further detail on the assessment criteria under these categories can be found at paragraph 44 of the prospectus.

15. Will the GLA scrutinise council proposals to ensure councils couldn't fund their bids in any other way (in line with paragraph 28 in the prospectus)?

As part of their bid, councils will be asked to explain why their bid cannot be funded through other means and this will be the main method through which this will be assessed. If we identify a proposal that could be funded through other means, we may choose not to allocate HCF grant to it.

16. How will the GLA measure outputs for each bid?

When submitting proposals, councils must identify specific outputs for each proposal as part of the bidding process. These outputs will form part of the funding agreement for successful proposals.

17. Will there be future rounds of funding under the programme?

The current programme will run in 2019-20 and 2020-21. There may be future funding rounds under the Homebuilding Capacity Fund, although no plans have yet been confirmed.

18. What other support is the GLA offering to support councils to develop skills and capacity in housing and planning departments?

The Mayor is offering a range of support to help councils develop skills and capacity. This includes:

- officers from his Homes for Londoners being embedded within councils to help mobilise their council homebuilding programmes;
- a new pan-London [Council-led Housing Forum](#) coordinated by Future of London to support councils to develop skills in homebuilding.
- support to develop small sites through the [Small Sites, Small Builders](#) programme;
- the development of new Supplementary Planning Guidance covering housing design, small sites, and optimising density; and
- the establishment of [Public Practice](#), a brokerage scheme which enables councils to access skills and expertise to support planning and housing delivery.

19. Where can I view template funding agreements for the Homebuilding Capacity Fund?

Funding agreements will be published on this webpage shortly.

20. Where can I find further information, or the answer to a question not covered above?

You can get in touch as homebuildingcapacityfund@london.gov.uk or speak to your GLA Housing & Land Head of Area.