

# Empowering Planning to deliver great places

Self and Custom Build Housing  
Pilot Challenge Fund



## **INTRODUCTION**

This prospectus sets out how to apply for the Scottish Government's Self and Custom Build Housing Pilot Challenge Fund (hereafter CF). The CF has been established to support the development of pilot projects that demonstrate and promote the value of self and custom build housing as an alternative mainstream housing delivery model.

The CF has a total budget of £90,000, and Scottish Ministers are looking to provide grant funding to support a range of self or custom build pilot projects. Funding will be allocated depending on the size, scope and development needs of each pilot project and subject to its potential to provide outcomes which will support the expansion of the sector.

## **BACKGROUND**

The CF will consider ideas for self and custom build (SCB) projects of a broad range of scales and types. In most European countries, a significant proportion of all new homes are built by individuals or groups who commission or build their own. In Scotland this is currently a small part of the market, with clear potential to both expand the scale and location of delivery and to bring greater choice and diversity of housing supply.

As a general definition, self-build usually involves individuals getting involved in or managing the construction of their new home on a plot of land, or renovating/re-building an existing property. This is a familiar method of procuring a home in much of rural Scotland and the islands and offers more choice in the way a home looks, its features to meet individual needs and it can be a more cost-effective option.

Custom build is relatively new to Scotland and offers the opportunity to purchase a fully serviced plot from a custom build developer and work with either the site architect, or your own architect, to design a home with choice and flexibility. It can also be achieved on a collective basis, with a group or individuals working together on a project in a variety of ways, from creating their own development company to setting up a co-housing organisation. Custom build can involve the re-use of existing buildings as well as new build.

The independent planning review recognised the opportunities for the SCB sector to expand the options for the delivery of homes and provide more flexibility in location, design, innovation and affordability. Scottish Ministers have committed their support through a variety of measures, including this CF, to facilitating greater mainstream development of self and custom build housing throughout Scotland.

## **AIMS OF THE CHALLENGE FUND**

The aim of the CF is to test delivery models that could be used to increase the amount of SCB homes across Scotland. To ensure that the intended effect of the CF is maximised, funding will be available to projects which clearly demonstrate outcomes and characteristics which can be replicated.

The fund is open to all. Applications are welcomed from projects which will demonstrate an innovative approach to the delivery of homes, from small-scale and individual, to community projects and ideas to support the scaling-up of the custom build sector.

We will consider projects in the following categories:

<p><b>1. Planning and site/plot delivery</b></p> <p><i>e.g. promoting and improving support to potential home builders; plot passports and design codes; strategies to increase availability of serviced building plots</i></p>	<p><b>2. Marketing</b></p> <p><i>e.g. creating marketing strategies and tools for promoting custom build; product/site marketing and promotion activities</i></p>
<p><b>3. Skills and training</b></p> <p><i>e.g. supporting SME contribution to SCB delivery; delivering better outcomes for specialist or accessible housing</i></p>	<p><b>4. Volume and construction</b></p> <p><i>e.g. kick-starting custom build development at a large scale; diversification of house types and supply; innovative housing delivery</i></p>
<p><b>5. Other innovative ideas for SCB</b></p> <p><i>e.g. innovation which does not fall within the preceding categories but can demonstrate strong outcomes</i></p>	

## FUNDING OFFER

As part of our commitment to taking forward actions from the Planning Review, the self and custom build housing pilots are being supported with a budget of £90,000. We are looking to support a mixture of projects from small-scale to large-scale.

### Eligibility

Funding will be available to applicants that are able to satisfy the fund administrator that they are of good standing and have the capability to deliver their project and meet funding deadlines.

## PROJECT MANAGEMENT AND REPORTING

As part of the funding offer, the selected pilot partners will be expected to work closely with and report to Scottish Government officials on a regular basis, including check-in sessions, on the effectiveness of the pilot project. Case studies will be created which will support the expansion of self and custom build housing, capturing the main learning points from the project and made available as an online resource.

## APPLICATION PROCESS AND DEADLINES

### Submitting your application

Appendix A sets out the information to be submitted in support of proposals.

Appendix B sets out the conditions of grant for the Challenge Fund.

All proposals should be submitted electronically marked 'Self and Custom Build Challenge Fund Pilot' and submitted by close of business on **Friday 1<sup>st</sup> December 2017** by email to [anne.grove@gov.scot](mailto:anne.grove@gov.scot). Please note: once the application has been submitted no further information will be accepted, unless it is expressly requested by the Scottish Government.

Completed applications returned by the deadline will be considered by an independent panel including officials from the Planning & Architecture Division and Directorate for Housing & Social Justice. All applicants will be notified of decisions by **Friday 22<sup>nd</sup> December 2017**.

If all of the funding is not allocated through the initial application phase then a second tranche of applications may be sought.

Grant will be paid in arrears and must be claimed before 31<sup>st</sup> March 2018. If expenditure has not been incurred by that point, Scottish Government may pay grant for activity beyond 31<sup>st</sup> March 2018 if the applicant can demonstrate that a financial commitment has been made such as by providing evidence of a signed contract with the service provider prior to 31<sup>st</sup> March 2018.

If you require any assistance in taking forward your application, please contact:

Anne Grove  
Senior Planner  
Placemaking & Housing, Planning and Architecture  
Email: [Anne.grove@gov.scot](mailto:Anne.grove@gov.scot)  
Telephone: 0131 244 5919.

## APPENDIX A

### Application for grant to be a self and custom build pilot project

Applicant details	
Name of (lead) organisation	
Contact name	
Contact email address and telephone number	
Address of organisation	
Other collaborating organisations (if relevant)	

Site details	
Site name	
Site location	
Grid reference	
Size of site (hectares)	
Planning status	

Proposal details	
Number of serviced plots the proposal will deliver, if funded	
Type of self and custom build delivery model to be supported	
Type of planning, design or marketing activity to be supported	

Funding details	
Grant applied for	£
Please provide a breakdown of the anticipated spend and time-frame	

## Proposal Application

Please provide a short overview of the proposal (maximum 1,000 words). Amongst other matters, the proposal should clearly set out:

- The objectives of the project
- Which category it falls into and how it will deliver outcomes
- An indicative project programme
- Project team and responsibilities

## APPENDIX B

### Self and Custom Build Housing Pilots: Conditions of Grant

1. Grant cannot be paid to cover any VAT applicable to the project.
2. The maximum grant likely to be awarded to any one project is expected to be in the region of £20,000-£30,000. Grant will only be awarded where the proposal is in line with the criteria set out in this document.
3. The Scottish Government's standard conditions for the offer of grant apply
4. After discussion with the project sponsor, a payment schedule will be agreed. Grant payments will be made in line with the payment schedule, funding will be withdrawn if insufficient progress has been made.
5. Grant will be paid in arrears and must be claimed before 31st March 2018. If expenditure has not been incurred by that point, Scottish Government may pay grant beyond 31st March 2018 if the applicant can demonstrate that a financial commitment has been made by providing evidence of a signed contract with the service provider prior to 31st March 2018.
6. All agreed deliverables and conditions for the award of grant will be required to be met before grant is paid. Scottish Government officials may require to be involved as observers at projects successfully securing grant funding.