



Department for  
Business, Energy  
& Industrial Strategy

# Social Housing Decarbonisation Fund Wave 2.1 Application Form

## **Guidance to Applicants:**

Please read the Competition Guidance Notes carefully before completing this form and provide sufficient information to demonstrate compliance with the Eligibility Criteria and the Evaluation Criteria.

Applicants are encouraged to write self-contained responses, within the word count given to limit the size of the application. Applicants are requested to maintain the structure of the application form.

## **Scoring of Responses:**

This application form contains three types of questions:

1. Questions that are assessed and weighted to contribute towards the application score (these questions will be flagged as 'assessed and weighted')
2. Binary questions that are not weighted and do not count towards the overall score. These will still be assessed and responses will either pass or not pass that individual question (these questions will be flagged as 'assessed but not weighted'). Binary questions will form part of moderation and will be considered as part of the suitability review.
3. Questions that are for information only and will not be assessed (these questions will be flagged as 'for information only') – whilst not marked, this information will help BEIS understand necessary information on projects, and therefore enable facilitation of effective delivery.

Eligible proposals will be ranked based upon their total score. In general, applications with higher scores will qualify for funding ahead of those with lower scores, with funding provided to as many applications judged as suitable within the budget available. All applications will be moderated after assessment, and a portfolio review will be undertaken, including a suitability review of applications that score well overall but poorly on one or more individual question(s). For clarity, this suitability review includes both applications scoring poorly on a question weighted to contribute towards the application score, and applications not 'passing' a binary question. The outcome of the suitability review may result in a change in the eligible proposal ranking or a proposal no longer being regarded as eligible.

## **Guidance to Consortia Applicants:**

Consortia Applicants should submit a single application to BEIS, which is co-ordinated by the consortium lead. The consortium lead is responsible for ensuring

that the information provided in this application form is correct, including the information provided on other consortia members. The supplied draft Grant Funding Agreement sets out full information on the responsibilities of the consortia lead.

The responses in the application form should focus on the consortium lead's approach, with high level information about the approach taken by other consortium members. Where it is not appropriate for the consortium lead alone to draft the response submitted (e.g. they are not stock-holding or have a comparatively small project to other members), the responses in the application form should focus on the largest consortium member's approach (in terms of number of homes being retrofitted). The responses should give a more detailed view of the largest consortium member project, while still giving high level information about the other consortium members. Where consortia choose to adopt a unified approach to a particular topic, this should be detailed in the response to BEIS. Consortia applicants will be granted an extended word count allowance to convey these additional details in their response. Questions 3.1, 3.2 and 3.3 have specific guidance to consortia applicants, which differs to this approach and should be noted.

Within the supplementary tables provided, all consortia members will be required to provide individual data on the stock they are applying with, the retrofits proposed, and the modelled outcomes of those retrofits. When completing the supplementary tables to the application form, each consortia member should input their own data in individual tabs provided. The consortia lead is responsible for ensuring that the data summary correctly encompasses the data from each consortia member's individual tab.

**Application Submission Details:**

The submission of applications will open at least 5 working days before the close of the competition. Details of the submission process will be made available in October 2022 on the [SHDF Wave 2.1 webpage](#). Applications must be submitted by the Lead Applicant as defined in Section 2.1. All completed application forms and required attachments must be submitted by 23.59 on the bid submission deadline, on 18<sup>th</sup> November 2022. Proposals received after the application deadline will not be considered.

## Declarations

Declarations	
I have the express authority to fill out this application on behalf of the lead applicant and its project partners.	Yes
The lead applicant acknowledges that, if successful, it will be expected to deliver the project as outlined in this proposal.	Yes
I have read the accompanying guidance document and other related documents for completing this proposal.	Yes
To the best of my knowledge, this proposal is legally compliant with any commercial agreements it uses.	Yes
The directors of the lead applicant do not have a financial interest in any suppliers they plan to use.	Yes
To the best of my knowledge, the proposed project is compliant with the UK Public Contract Regulations 2015.	Yes
I confirm that the VAT position on this application form has been signed off by a relevant financial officer.	Yes
The Lead Applicant confirms that all homes/ upgrades included in this project are intended to fit wholly within the specifications outlined in the accompanying guidance document.	Yes
The Lead Applicant will introduce controls designed to ensure that SHDF competition funding will not be blended with other government schemes such as ECO for the funding of the same individual measure.	Yes
The Lead Applicant has consulted their Data Protection Officer and built-in plans to ensure deliverability of data sharing requirements with BEIS, including the completion of a Data Protection Impact Assessment.	Yes
The Lead Applicant will ensure that tenants, installers and delivery partners receive both BEIS' and their own project-specific Privacy Notice, outlining how their personal data will be processed within the project and wider programme, in line with the terms of GDPR.	Yes
The Lead Applicant agrees to acknowledge BEIS's funding in all communications regarding the project, with reference to any branding stipulated by BEIS, and support collection of case studies, as well as dissemination of case studies subject to BEIS approval.	Yes
The Lead Applicant acknowledges that BEIS will contact a sub-sample of tenants, installers and delivery teams as part of the independent evaluation of the SHDF and will incorporate this as part of their project Privacy Notice.	Yes

The Lead Applicant agrees to collate and transfer data, including personal data, as described in the Data Sharing Agreement, necessary to manage benefits and deliver evaluation of the programme.	Yes
The Lead Applicant agrees to the performance management requirements outlined in the guidance document.	Yes
The Lead Applicant will ensure projects are carried out to strict safety standards and that all work conducted through the SHDF will be compliant with all specifications and requirements set out in PAS2035 and appropriate safety and construction standards, including Construction, Design and Management (CDM) regulations and any statutory requirements for Principal Designs to be appointed.	Yes
Please confirm the Lead Applicant understands and acknowledges the terms and conditions of the supplied [draft] Grant Funding Agreement.	Yes
Please confirm that the Lead Applicant understands that funding not spent in the required timeframe is not guaranteed and applicants may have to take on any costs themselves in such instances, as set out in the supplied [draft] Grant Funding Agreement.	Yes
The Lead Applicant confirms that energy bills will not increase for tenants owing to works carried out through SHDF Wave 2.1.	Yes
<b>[For optional Digitalisation funding applicants only]</b> If accessing digitalisation funding, the Applicant agrees to share information with BEIS and any appointed third party evaluation partner.	Yes
Please provide an explanation if you have answered “no” to any of the above statements.	<b>Answer:</b> N/A

### Subsidy control questions (for information only)

- These questions are to help us understand how you fit into our obligations to control and report on subsidies.
- Your answers to these questions will not affect whether or not you are eligible for or receive funding.
- Please answer the questions for either single applicants or consortiums, depending on which applies to you.

#### For single applicants

I have the express authority to fill out this application on behalf of the lead organisation and its project partners.	Yes
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#### For consortium applicants

I have the express authority to fill out this application on behalf of the lead organisation and its project partners.	Yes
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## 1. Application Details

### Section A: Details of Lead Applicant

All questions in section A are for information only.

<p><b>Name of lead applicant and type of body:</b></p> <p><i>Name of the lead, e.g. Local Authority, Combined Authority, registered provider of social housing, or registered charity. Please ensure that names are listed here as they appear in the gov.uk list of registered providers<sup>1</sup> or register of charities<sup>2</sup>.</i></p>	South Derbyshire District Council
<p><b>Company number of lead applicant (if applicable):</b></p> <p><i>If the lead applicant is a Housing Association, please include your company number and DUNS number:</i></p>	N/A
<p><b>Charity number of lead applicant (if applicable):</b></p> <p><i>If the lead applicant is a Charity, please include your registered charity number.</i></p>	N/A
<p><b>Is this a consortium application?</b></p> <p><i>A consortium is an application containing more than one social landlord.</i></p>	No
<p><b>Is your application subject to UK Subsidy Control Requirements?</b></p>	No

<sup>1</sup> <https://www.gov.uk/government/publications/registered-providers-of-social-housing/list-of-registered-providers-14-april-2022-accessible-version>

<sup>2</sup> <https://register-of-charities.charitycommission.gov.uk/charity-search>

<p><i>Please provide brief evidence to support this position. Further information can be found in section 2.3 of the competition guidance document.</i></p>	
<p><b>Are there private properties (private rental sector or owner occupier) included in your application as well as social homes? And if so, have you/will you seek a declaration from the relevant economic sector that they do not exceed the Small Amounts of Funding Exemption in respect of elements of the bid that related to non-social homes<sup>3</sup>?</b></p> <p><i>Please provide brief evidence to support this position.</i></p>	Yes
<p><b><i>[Individual applications only]</i> In any three-year consecutive fiscal period and not including any SHDF funding applied for, will/have you received state support of under 325,000 Special Drawing Rights?</b></p> <p><i>If the answer is yes, please state the amount of state support given.</i></p>	No
<p><b><i>[Consortium applications only]</i> Name(s) and organisational type of consortium partners in application:</b></p> <p><i>Consortium partners can be Local Authorities, Combined Authorities, Registered Providers of social housing, Arms-Length Management Organisations or Registered Charities. Please specify whether each organisation is a Local Authority, Combined Authority, Housing Association or other type of organisation and whether each organisation is a registered provider. (Further information can be found in the guidance, section 2.1)</i></p>	N/A

<sup>3</sup> See section 2.3 of the competition guidance document for further information.

<p><b>[Consortium applications only] Contact details of consortium partners in application:</b></p> <p><i>This question is only required for consortium applications. You should provide an email address for each consortium partner.</i></p>	N/A
<p><b>[Consortium applications only] In any three year consecutive fiscal period and not including any SHDF funding applied for, have/will the members of the consortium together receive/have received state support of under 325,000 Special Drawing Rights?</b></p> <p><i>If the answer is yes, please provide the amount of state support, broken down into each consortium member.</i></p>	N/A
<p><b>Lead applicant town/ city:</b></p> <p><i>You should enter the town/ city in which the lead applicant is located. You will also be required to enter the postcodes of targeted properties in the supplementary tables provided.</i></p>	South Derbyshire
<p><b>Lead Applicant Region:</b></p> <p><i>Please select: North West, North East, Yorkshire and the Humber, East Midlands, West Midlands, East, London, South East, South West, Nationwide (if Nationwide, please also state the region with the highest stock holding).</i></p>	East Midlands
<p><b>Name and role of the individual drafting this proposal:</b></p> <p><i>This individual will be considered the main contact. BEIS will contact this individual if we have any questions or updates on the status of the application. You may provide</i></p>	<p>Paul Whittingham</p> <p>Head of Housing</p>

<p><i>more than one contact name if helpful for resilience purposes.</i></p>	
<p><b>Email address of the individual drafting this proposal:</b></p> <p><i>BEIS will use this email address to provide confirmation and receipt of the submitted application form. BEIS will use this email address as the primary source for any updates to the lead applicant on the status of their application. You may provide more than one email address if helpful for resilience purposes.</i></p>	<p>Paul.Whittingham@southderbyshire.gov.uk</p>
<p><b>Phone number of the individual drafting this proposal:</b></p> <p><i>This is an optional field; this information is requested in case BEIS are unable to reach the Applicant by email. You may provide more than one phone number if helpful for resilience purposes.</i></p>	<p>07786841160 / 01283 595984</p>
<p><b>Partner Organisations:</b></p> <p><i>Please provide the names of any partner organisations contributing to this application, and their roles within your project's delivery model.</i></p>	<p>Novus Property Solutions – Contractor  Energy Specifics – Retrofit Coordinator  Constructive Thinking Studios – Retrofit Designer</p>
<p><b>Comms and Media Contact:</b></p> <p><i>Please provide a designated PR and Comms contact for your organisation for media-related enquiries.</i></p>	<p>James Taylor – Communications Manager  James.taylor@southderbyshire.gov.uk</p>



## Section B: Summary Information

All questions in section B are for information only.

<p><b>Public description of project:</b></p> <p><i>If this application is successful, BEIS may wish to publicise the results of the scheme which may involve engagement with the media. At the end of the application and assessment process, BEIS may issue a press release or publish a notice on its website. Applicants should summarise their project goals and ensure the summary is suitable for public disclosure. Applicants could include information including:</i></p> <ul style="list-style-type: none"> <li>• <i>Project title</i></li> <li>• <i>Lead and consortia members</i></li> <li>• <i>Region</i></li> <li>• <i>Number of homes treated</i></li> <li>• <i>Project cost</i></li> </ul> <p><i>BEIS reserves the right to amend the description before publication if necessary but will consult the applicant about any changes.</i></p> <p><i>Single bidder word limit – 100, consortia bid word limit – 150</i></p>	<p>The South Derbyshire District Council (SDDC) SHDF project aims to improve the energy efficiency of approximately 103 homes for our customers. The homes are situated in South Derbyshire and all have an EPC below 'C'. The aim of the project is to improve the comfort, health, and well-being of our customers, and reduce their fuel poverty potential by delivering warmer and more energy-efficient homes. This also feeds into SDDC's aim to be carbon-neutral by 2030. The total project cost is £1,751,672.08 funded on a 50/50 basis through the SHDF scheme.</p>
<p><b>Total project costs:</b></p>	<p>Including non-recoverable VAT: £1,751,672.08</p> <p>Excluding VAT: £1,401,338.00</p>
<p><b>[Consortium applications only] Total project costs, split by consortia member:</b></p> <p><i>This question is only required for consortium applications.</i></p> <p><i>Please add additional organisation name/costs depending on the size of your consortium.</i></p>	<p>Organisation Name:</p> <p>Including non-recoverable VAT:</p> <p>Excluding VAT:</p> <p>Organisation Name:</p> <p>Including non-recoverable VAT:</p> <p>Excluding VAT:</p>

<b>Total SHDF Wave 2.1 grant funding applied for:</b>	Including non-recoverable VAT: £875,836.04  Excluding VAT: £700,669.00
<b><i>[Consortium applications only]</i> Total SHDF Wave 2.1 grant funding applied for, split by consortia member:</b>  <i>Please add additional organisation name/costs depending on the size of your consortium.</i>	Including non-recoverable VAT:  Excluding VAT:
<b>Total co-funding contribution:</b>	Including non-recoverable VAT: £875,836.04  Excluding VAT: £700,669.00
<b><i>[Consortium applications only]</i> Total co-funding contribution, split by consortia member:</b>  <i>Please add additional organisation name/costs depending on the size of your consortium.</i>	Including non-recoverable VAT:  Excluding VAT:
<b>Blended Funding:</b> Are you intending to use funding secured from another Government scheme alongside SHDF funding?  <b><i>Funding must be secured by the point of application to SHDF.</i></b>	No  Scheme Name:  Amount (£):
<b><i>[If the Lead Applicant or any consortia member is not a Registered Provider]:</i></b> The Lead Applicant confirms that properties included in this application fall under the definition of social housing <sup>4</sup> (except for non-social housing included for the purposes of infill) and has provided evidence in Annex A. Evidence should include rent rates for the properties being considered for retrofit, with a market rate comparison. This is recommended to be attached as a spreadsheet.	[N/A]

<sup>4</sup> as defined by the Housing and Regeneration Act 2008 (sections 68-70)

**Please state whether the following annexes are included in your application:**

*BEIS expects applicants to supply all annexes relevant to their bid unless sufficient justification in answers negates the need for this.*

*Annexes should be used to provide further information, such as screenshots of modelling or evidence of quotes, to further illustrate the written justification provided within this document. Applicants should not use the annex as a way of negating the word count.*

*A guideline annex length has been provided in the table below for each annex. There is no upper limit on annex lengths, however BEIS expects applicants to keep annexes as concise as possible and only include the information requested. BEIS will take a proportionate approach to the assessment of annexes exceeding the guideline length, and annexes that exceed the guideline length provided may not be assessed in full.*

*Consortia bidders should abide by the guidelines to consortia when supplying annexes: the responses in the application form should focus on the consortium lead's approach, with high level information about the approach taken by other consortium members. Questions 3.1, 3.2 and 3.3 require annexes and have specific guidance to consortia applicants, which differs to this approach and should be noted.*

<p><b>Annex A:</b> Evidence that properties fall under social housing definition [mandatory annex for applicants who are non-registered providers only]</p> <p><i>Guideline annex length: one spreadsheet tab per applicant who is not a registered provider.</i></p>	<p>[No]</p>
<p><b>Annex B:</b> stock identification and steps taken to ensure data provided in table 1 is accurate.</p> <p><i>Guideline annex length: single bidder – up to 3 pages, consortia – up to 5 pages</i></p>	<p>[yes]</p>
<p><b>Annex C:</b> modelling methodology used to identify the measures proposed in table 2, and the outputs of retrofits outlined in table 3</p> <p><i>Guideline annex length: single bidder – up to 1 page, consortia – up to 2 pages</i></p>	<p>[yes]</p>
<p><b>Annex D:</b> evidence that bills will not increase as a result of works [mandatory annex in homes</p>	<p>[No]</p>

<p>where low carbon heating is proposed, optional annex in homes without low carbon heating]</p> <p><i>Guideline annex length: single bidder – up to 2 pages, consortia – up to 3 pages</i></p>	
<p><b>Annex E:</b> justification where EPC F/G homes are not expected to meet EPC C</p> <p><i>Guideline annex length: single bidder – up to 2 pages, consortia – up to 3 pages</i></p>	[No]
<b>Annex F:</b> project plan	[Yes]
<b>Annex G:</b> risk and issues register	[Yes]
<p><b>Annex H:</b> project team capacity and capability</p> <p><i>Guideline annex length: single bidder – up to 2 pages, consortia – up to 3 pages</i></p>	[Yes]
<p><b>Annex I:</b> evidence to support your confidence in delivering this project</p> <p><i>Guideline annex length: single bidder – up to 1 page, consortia – up to 2 pages</i></p>	[Yes]
<p><b>Annex J:</b> proof of cost justification</p> <p><i>Guideline annex length: single bidder – up to 4 pages, consortia – up to 6 pages</i></p>	[yes]
<p><b>Annex K:</b> proof of co funding</p> <p><i>Guideline annex length: single bidder – up to 5 pages, consortia – up to 8 pages</i></p>	[yes]

## 2. Strategic Fit

Worth 35% of the total marks	
Proposed works to social homes	
2.1.a) Assessed	Please complete tables 1-3 in the accompanying document.

<p><i>and weighted</i></p>	<p><i>Tables 1-3 will request information for homes starting below EPC C. This will include the starting characteristics of selected stock, the proposed measures to be installed, and the expected performances outcomes of the retrofit work. Questions 2.1.b – 2.6 will provide the opportunity to justify the retrofit approach proposed.</i></p>
<p><b>2.1.b)</b> <i>Assessed and weighted</i></p>	<p><b>How have you identified the stock and made sure the data you have provided in table 1 is accurate? Evidence may be submitted as Annex B.</b></p> <p><i>Applicants should explain the stock assessment process that was used to identify these homes as being suitable for this application. Please outline the approach that has been taken to provide accurate data, including any steps taken to mitigate against reliance on poor quality data.</i></p> <p><i>The starting point for this is expected to be SAP, RdSAP or PHPP. This must be evidenced in annex B (e.g. through EPC certificates of an appropriate sample of stock. Applicants are not required to provide evidence in annexes for all homes included in their bid but are expected to provide evidence for at least one home representative of each archetype included in the bid. All homes must still meet SHDF Wave 2.1 requirements). It is acceptable to use recent EPC certificates combined with stock analysis at the application stage of the proposal.</i></p> <p><i>For those applicants wishing to use modelling to demonstrate the starting condition of the stock, BEIS expects a clear explanation of the modelling process that was used. Applicants may choose to supply a screenshot of any modelling carried out as annex B, to further illustrate the written justification. If a home is EPC C or above pre-retrofit according to a valid EPC, then it cannot be included in an application unless pre-application an EPC assessment is carried out showing that it is below EPC C, or if a retrofit assessment is carried out and as part of the retrofit assessment process the property is evidenced to be below EPC C. Acceptable evidence as part of the retrofit assessment process must be based on government approved SAP 2012 or SAP 10.2 software.</i></p> <p><i>Any application containing void properties should outline the modelling used to choose an appropriate selection of voids that will be deliverable during the SHDF Wave 2.1 delivery window, alongside what evidence was used to provide accurate information in Table 1 for this selection of properties. See the published clarification questions for further detail about consideration of voids.</i></p>

*Detail should be provided on the proportion of stock in the bid covered by the methodology used to provide data on the starting condition of homes, and the proportion of stock in the bid where assumptions have been made on starting condition based on data from similar properties (i.e. gap data). An assessment should be made of how the proportion of gap data included impacts the overall quality and accuracy of bid data.*

*The best answers will provide additional confidence on the real-world condition of properties, beyond just the use of SAP/RdSAP/PHPP and any stock modelling that may have been done.*

*Single bidder word limit – 250, consortia bid word limit – 350*

*Guideline annex length: single bidder – up to 3 pages, consortia – up to 5 pages*

**Answer:**

Using expertise of our partners Constructive Thinking Studio and Energy Specifics, we have undertaken analysis to ensure high levels of data quality:

1. **Reviewed asset list** and identified main archetypes,
2. **Used geographic and fuel poverty overlays** to identify primary areas using Locala (directory of information on 2900 Housing Associations and Local Authorities, including analysis/overview of stock data),
3. **Undertook retrofit assessments (see Annex B), air pressure testing and created Retrofit Coordinator reports** for main archetypes and a relevant percentage of the stock (10%), based on real-world site visits (to increase accuracy and data quality, evidenced by photographs), suitable for installation works and future submission to Trustmark,
4. **Completed high-level energy modelling** based on LidAR scanning (completed during site visits) and existing, proven methodology of Scan-BIM-Energy Modelling (digital-twinning). The resultant point cloud outputs were processed in Leica's Cyclone software, and outputs exported to the BIM modelling software Archicad. This is flexible so external scans, Retrofit Assessment floor plans and associated building data, enables each property to be accurately modelled. This demonstrates compliance with the energy target of 90 kWh/m<sup>2</sup>/pa, energy performance data for estimated fuel bills, and provides the Net Zero path for each property, enabling the work to integrate with planned and strategic asset management decisions in the future.
5. **Worked with Elmhurst** to agree a methodology for re-assessing existing EPC ratings and re-lodged old EPC "C" rated properties ahead of the bid, where our modelling proved RdSAP ratings to be incorrect.

<p><b>2.1.c)</b></p> <p><i>Assessed and weighted</i></p>	<p><b>What modelling methodology have you used to identify the measures that you have proposed in table 2, and the outputs of those retrofits outlined in table 3? Evidence may be submitted as Annex C.</b></p> <p><i>Examples of acceptable evidence can include the outputs from stock modelling and energy efficiency planning using a SAP, RdSAP or PHPP based modelling tool or calculator. We would also expect a description of the modelling process – including any headline parameters included in the modelling. You may also wish to provide further evidence on any additional modelling/work you have done to provide further certainty. Applicants are expected to include a screenshot of the modelling undertaken as annex C, to further illustrate the written justification. Applicants are not required to provide evidence in annexes for all homes included in their bid but are expected to provide evidence for at least one home representative of each archetype included in the bid. All homes must still meet SHDF Wave 2.1 requirements.</i></p> <p><i>This does not replace the requirements for dwelling assessments under PAS2035. (Further information can be found in the guidance, section 2.9 and 2.10).</i></p> <p><i>Single bidder word limit – 250, consortia bid word limit – 350</i></p> <p><i>Guideline annex length: single bidder – up to 1 page, consortia – up to 2 pages</i></p>
	<p><b>Answer:</b></p> <p>We have incorporated lessons-learned from Wave 1 and been proactive in modelling archetypes pre-bid. As per BEIS guidelines, we have not over-specified, and have instead targeted the most cost-effective, fabric-first path to EPC C for as many properties as possible.</p> <p>Our partners Constructive Thinking Studio and Energy Specifics, have a proprietary modelling process using Scan-BIM-Energy Modelling. 10% of properties have been energy-modelled pre-bid. Air pressure test results (per archetype) informed the retrofit design.</p> <p>ECO Designer is used for energy modelling to ensure stated heat requirements are met. This allows for a range of fabric measure specifications to be tested efficiently and an optimum design package produced. Identification of cold bridging is central to our energy modelling</p>



	<p>approach and subsequent design solutions. This is how we decided what measures were best suited to each property, through optimised design, taking a fabric-first approach in readiness for future low-carbon heating solutions. We prioritised resident comfort in selecting measures are minimally disruptive, whilst giving maximum impact, at minimum cost. This is so we can extend the scheme to as many properties as possible in Wave 2 and improve the environment of as many residents as possible, therefore reducing fuel poverty potential. Measures identified are primarily loft insulation, cavity wall, windows, doors, low voltage fans, some below DPC EWI, general draft-proofing.</p> <p>The process is tried and tested on 3000+ properties (SHDF, LADS, ECO), and is totally scalable, whilst not reducing quality.</p> <p>Outputs include full construction drawings/specifications, data transfer to asset management systems, full BIM capability.</p>
<p><b>2.2)</b> <i>Assessed but not weighted</i></p>	<p><b>How you will ensure that bills will not increase as a result of the retrofit works, relative to what they would otherwise have been. Evidence of this modelling may be supplied as Annex D.</b></p> <p><i>Evidence of bill decrease should be based upon modelling via SAP, RdSAP or PHPP as an alternative. The modelling methodology used needs to be the same before as after retrofit – for instance, if using SAP 2012 before retrofit then this also needs to be used post retrofit. This does not replace the requirements for dwelling assessments under PAS2035.</i></p> <p><i>Projects proposing low carbon heat installations are required to demonstrate that bills will not increase as a result of the retrofit works, on a detailed basis for all archetypes – this should include a screenshot in Annex D of the modelling undertaken which should highlight SAP score pre-retrofit, modelled SAP score post retrofit, and modelled bill difference between pre and post retrofit. (Further information can be found in the guidance, section 2.9). Applicants are not required to provide evidence in annexes for all homes included in their bid but are expected to provide evidence for at least one home representative of each archetype included in the bid. All homes must still meet SHDF Wave 2.1 requirements.</i></p> <p><i>Single bidder word limit – 250, consortia bid word limit – 350</i> <i>Guideline annex length: single bidder – up to 2 pages, consortia – up to 3 pages</i></p>



	<p><b>Answer:</b></p> <p>Through our processes and methodology set out below, we are confident that bills will not increase as a result of these retrofit works.</p> <p>The energy modelling process uses On Construction SAP, based on LiDAR scanning (digital twinning) for each property. This outputs current property energy demand based on configuration, occupancy, and performance. Once various measures have been evaluated and modelled based on the PAS 2035 Retrofit Coordinator recommendations, the best-fit Retrofit Design package will be finalised and agreed between SDDC, Coordinator Energy Specifics, Designer Constructive Thinking, and our contractor Novus. The modelling process allows for detailed design solutions for cold bridging elements and surface temperature factor calculations, as well as the output SAP-rating for that design.</p> <p>Thus, the pre- and post-SAP scores are very accurately calculated, and we can confirm bills will not increase.</p> <p>Given extraordinary times we are living in with regards to fuel costs, and the three-monthly review of the fuel-cap by OFGEM, we can demonstrate with certainty the proposed fuel demand and a robust percentage improvement (i.e. decrease) over the existing property performance to ensure bills will not increase.</p> <p>Tenant behaviour plays a key role in this, and we will provide a detailed handover, and energy efficiency guide bespoke to works delivered, to optimise benefits of installed measures e.g., leave fans running after show, ventilate property regularly.</p>	
<p><b>2.3.a)</b></p> <p><i>Assessed but not weighted</i></p>	<p><b>Please confirm that all EPC Band D or E homes in your bid are expected to reach at least EPC Band C.</b></p>	<p>[Yes]</p>
<p><b>2.3.b)</b></p> <p><i>Assessed but not weighted</i></p>	<p><b>If EPC Band F or G properties are not expected to be able to meet EPC Band C, please provide a clear justification as to why. Evidence of this justification may be supplied as Annex E.</b></p> <p><i>Applicants must improve their social homes (through a fabric first approach suitable for the building type) to at least a minimum energy efficiency rating threshold of EPC Band C; except for those EPC Band F/G homes that cannot reach this level, which would need to reach EPC Band D and provide strong justification as to why they could not reach EPC Band C</i></p>	

	<p><i>(evidence should be based upon modelling via SAP, RdSAP or PHPP as an alternative. The modelling methodology used needs to be the same before as after retrofit – for instance, if using SAP 2012 before retrofit then this also needs to be used post retrofit. Applicants should show starting SAP score and modelled end SAP score.) Applicants are expected to include a screenshot of evidence supporting their justification as annex E, eg EPC certificates, or modelling, to further illustrate the written justification. Applicants are not required to provide evidence in annexes for all homes included in their bid but are expected to provide evidence for at least one home representative of each archetype included in the bid. All homes must still meet SHDF Wave 2.1 requirements</i></p> <p><i>Single bidder word limit – 250, consortia bid word limit – 350</i></p> <p><i>Guideline annex length: single bidder – up to 2 pages, consortia – up to 3 pages</i></p>
	<p><b>Answer:</b></p> <p>N/A</p>
<p><b>2.4)</b> <i>Assessed but not weighted</i></p>	<p><b>If alternative low carbon heating solutions to low temperature heat pumps have been proposed, please provide a clear justification as to why.</b></p> <p><i>If no alternative low carbon heating is proposed in this application, leave this box blank. Further information can be found in the guidance, section 2.10.1</i></p> <p><i>Single bidder word limit – 250, consortia bid word limit – 350</i></p>
	<p><b>Answer:</b></p> <p>N/A</p>
<p><b>2.5)</b> <i>Assessed but not weighted</i></p>	<p><b>If you have applied to utilise the solid wall cost cap on some or all homes in your retrofit, please provide a justification as to why.</b></p> <p><i>Please note the cost of cavity wall insulation on its own is not an acceptable justification. If only utilising the cavity wall cost cap, please leave this response blank. (Further information can be found in the guidance, section 2.11)</i></p>

	<p><i>Any home that is not classed as ‘cavity’ in the SAP wall type categorisation may use the solid wall cost cap if appropriate to do so. This includes brick, stone (granite, sandstone, or whinstone), timber, system build, or curtain walls.</i></p> <p><i>Single bidder word limit – 250, consortia bid word limit - 350</i></p> <p><b>Answer:</b></p> <p>N/A</p>
<p><b>2.6)</b></p> <p><i>Assessed and weighted</i></p>	<p><b>Please outline how the approach proposed is appropriate to your stock that you have applied with.</b></p> <p>This could include:</p> <ul style="list-style-type: none"> <li>• <i>Why the measures proposed for the stock applied with are an appropriate fabric first and lowest regrets approach to your stock that you have applied with. You may choose to build on the response to Q2.1 about modelling, and include information about your understanding of your stock, including retrofits that have been previously carried out.</i></li> <li>• <i>If no fabric measures have been applied with, please provide a clear justification as to why.</i></li> <li>• <i>Applicants are expected to propose cost effective measures appropriate for their chosen stock which align with the SHDF Wave 2.1 objectives and strategic approach. Applications installing measures that are not making cost effective progress towards the SHDF’s strategic objectives are likely to receive a low score in the ‘Value for Money’ section of the assessment, particularly where these measures are accountable for a significant proportion of the spend. See guidance sections 2.10 and 2.11 for further information.</i></li> <li>• <i>How the 90kwh/m2/year level outlined in the guidance was considered as part of the retrofit - including justification on the end level of space heating demand, considering reasonableness of retrofit and cost effectiveness. Note, applications should not look to implement a retrofit that reaches 90kwh/m2/year without considering these factors at the forefront of retrofit design.</i></li> <li>• <i>How it is in alignment with your organisation's net zero strategy?</i></li> </ul> <p><i>Single bidder word limit – 600, consortia bid word limit - 800</i></p>

**Answer:**

Our proposed approach is appropriate to the applied stock. Measures identified are aligned to our strategy to improve the health and wellbeing of tenants, reduce the risk of fuel poverty, and decarbonize our stock, whilst causing minimum disruption to vulnerable tenants.

Following initial data collection exercises, we undertook PAS2035 retrofit assessments including modelling and designs of 10 archetype properties (outlined under 2.1c), to confirm proposed measures are accurate.

**Fabric First Approach**

Properties are batched for ease of delivery/logistical efficiency, most with alternative fuel sources and traditional cavity construction meaning an easily achievable EPC C, at a relatively low cost per property.

Our rationale for selecting 103 properties is:

- 7 clustered properties that have low carbon heating on Tower Road/Main Street. They should have had a fabric-first approach initially to make sure they are energy-efficient to ensure the air source heat pumps are fully effective and reduce energy bills. The installation of low-carbon heating was complete as part of an earlier scheme (predominantly 2016/17), which did not stipulate a fabric-first approach. In hindsight this was an oversight and has been a key learn for decarbonisation strategy within the council thereafter which we are keen to now rectify for affected residents as part of this scheme. These are pre-1941 cavity wall properties.
- 17 flats in brook street that have ground source heat pumps (low-carbon heating), all the same property type, clustered around Brook Street, Swadlincote need a fabric-first approach for the same reasons as above.
- 2 properties that have biomass boilers (low carbon heating), so need a fabric-first approach for the same reason as above.
- 6 coal-fired properties need a fabric first approach, so that the next stage is to install a low-carbon heating system to get the off-coal.
- 3 properties heated by oil burners for the same reason as above.
- 43 Worst-first/ low-energy performing clustered properties with D/E EPC ratings.
- The remaining 25 properties are made-up of overflow from Wave 1 (sheltered bungalows with vulnerable tenants below EPC C).

**Cost-Effectiveness**

The Scan-BIM-Energy Modelling process allows Constructive Thinking Studio to evaluate multiple design options, always fabric first. By

	<p>undertaking this level of energy and measure analysis, maximising value for money, factoring in industry bench-marking and inflationary considerations will be central to the design. Tier 1 contractors can drive cost efficiencies when supplied with full construction packs and schedules.</p> <p><b>Energy Target 90 KwHr/m2/pa</b></p> <p>By using proprietary energy modelling software, we can assess multiple measure combination options, all calculated with On-Construction SAP. We can design out internal dew points and produce appropriate design detailing for identified thermal bridging.</p> <p>Under the SHDF Demonstrator, we successfully modelled to 50 KwHr/m2/pa on most properties and achieved required targets for SHDF Wave 1 properties.</p> <p>There are a minority of properties that won't meet 90kWh/m2 target as the installation of additional measures to reach 90kwh/m2/year would not be good value for money for all properties applied with, however, they still achieve EPC C and reduction in fuel bills.</p> <p><b>Net Zero Strategy</b></p> <p>We are targeted to be carbon neutral by 2030, see <a href="#">here</a>. Use of energy modelling software is a perfect strategic tool for furthering this strategy. SHDF Wave 2 will help us achieve our ambitions by bringing the worst-first homes to pathway; we can then look to install Low-Carbon Heating measures in later schemes.</p> <p>There is a strong correlation between development, adoption and implementation of a Net Zero strategy with PAS 2035 and using BIM and digital-twinning of assets adds strong data to inform and back-up Net Zero pathways.</p>	
<p><b>2.7)</b> <i>Assessed but not weighted</i></p>	<p><b>Will any homes within your application go beyond the performance outcomes for SHDF Wave 2.1 (EPC Band C, with appropriate consideration of 90 kwh/m2/year)?</b></p>	<p>[No]</p>
<p><b>2.8)</b> <i>Assessed but not weighted</i></p>	<p><b>If you answered yes to question 2.7, please confirm that you will only use grant funding to fund a maximum of 50% of the eligible costs to reach EPC Band C, with appropriate consideration of 90kwh/m2/year, and that all</b></p>	<p>[N/A]</p>

	<p><b>other funding will need to come from co-funding.</b></p> <p><i>See section 2.11.2 of the competition guidance for further information.</i></p>	
<p><b>Proposed infill works</b></p> <p><i>The focus of SHDF Wave 2.1 is on improving social homes currently below EPC C at scale. BEIS recognises that in some instances, Applicants may wish to carry out works to a block comprising mostly social homes below EPC C, but some homes in the block may be non-social homes, or social homes at EPC C or above. These homes may be eligible for infill funding for whole-block measures, such as external wall insulation, however such instances need to be strongly justified.</i></p>		
<p><b>2.9)</b></p> <p><i>Assessed but not weighted</i></p>	<p><b>Does your application contain any social homes starting at EPC Band C or above?</b></p>	<p>[No]</p>
<p><b>2.10)</b></p> <p><i>Assessed but not weighted</i></p>	<p><b>If you answered yes to question 2.9, please complete table 4 and 5 (and proceed to respond to question 2.11). If you answered no to question 2.9, please skip to question 2.12.</b></p> <p>N/A</p>	
<p><b>2.11)</b></p> <p><i>Assessed but not weighted</i></p>	<p><b>Please justify the inclusion of any social homes at EPC Band C or above in this application, including why the proposed measures are vital for infill.</b></p> <p><i>Funding is limited to situations in which social homes below EPC Band C would be adversely affected without it, for example cases where these social homes would not be able to meet EPC C with appropriate consideration of 90kwh/m2/year, bearing in mind reasonableness and cost effectiveness (see 'Performance Outcomes' section 2.9 of the competition guidance document), or where works must be undertaken on a whole block for planning or logistical reasons.</i></p> <p><i>Funding is available for insulation and associated ventilation. Applicants may include additional measures on an exceptional basis if a justification is given as to why a whole block approach is essential for the attainment of SHDF Wave 2.1 performance outcomes (see section 2.9) for the below EPC Band C homes. Any Applicant wishing to install a measure that is not</i></p>	

	<p><i>an infill measure onto these homes must do so out of their own money, separately to their co-funding contribution.</i></p> <p><i>Single bidder word limit – 300, consortia bid word limit - 400</i></p>	
	<p><b>Answer:</b></p> <p>N/A</p>	
<p><b>2.12)</b></p> <p><i>Assessed but not weighted</i></p>	<p><b>Does your application contain non-social homes?</b></p>	<p>[No]</p>
<p><b>2.13)</b></p> <p><i>Assessed but not weighted</i></p>	<p><b>If you answered yes to question 2.12, please complete tables 6 and 7 (and then proceed to respond to questions 2.14 and 2.15). If you answered no to question 2.12, please skip to question 2.16.</b></p>	
<p><b>2.14)</b></p> <p><i>Assessed but not weighted</i></p>	<p><b>Please justify the inclusion of non-social homes in your bid, including why the proposed measures are vital for infill.</b></p> <p><i>Funding limited to situations in which social homes would be adversely affected without it, for example cases where social homes would not be able to meet EPC C with appropriate consideration of 90kwh/m2/year, bearing in mind reasonableness and cost effectiveness (see ‘Performance Outcomes’ section 2.9 of the competition guidance document), or where works must be undertaken on a whole block for planning or logistical reasons.</i></p> <p><i>Funding is available for insulation and associated ventilation. Applicants may include additional measures on an exceptional basis if a justification is given as to why a whole block approach is essential for the attainment of SHDF Wave 2.1 performance outcomes (see section 2.9 of the competition guidance document). Any Applicant wishing to install a measure that is not an infill measure onto these homes must do so out of their own money, separately to their co-funding contribution.</i></p> <p><i>Single bidder word limit – 300, consortia bid word limit - 400</i></p>	
	<p><b>Answer:</b></p> <p>N/A</p>	
<p><b>2.15)</b></p>	<p><b>Please explain what low-income eligibility criteria will be used to determine the proportion of funding that homes are eligible for.</b></p>	



<p><i>Assessed but not weighted</i></p>	<p><b>Applicants should describe the steps they have taken to provide accurate data.</b></p> <ul style="list-style-type: none"> <li>• <i>The SHDF Wave 2.1 competition will fund 100% of costs of the infill measure for low-income owner occupier homes. These homes are considered as:</i> <ul style="list-style-type: none"> <li>○ <i>Homes with an annual income of no more than £31,000 gross, before housing costs and where benefits are counted towards this figure</i></li> <li>○ <i>We expect many Applicants to use receipt of means tested benefits as a proxy for low-income and would expect Applicants using non-means tested benefits to set out additional income verification. Other methods to verify eligibility may include using data such as existing processes on Council Tax reductions for those on lower incomes, residents on the social housing waiting list, or more innovative approaches such as advanced statistics and machine learning (e.g. Experian or CACI Paycheck), where Applicants can demonstrate these will target low-income households. Self-declarations will not be acceptable methods of verification.</i></li> </ul> </li> </ul> <p><i>Single bidder word limit – 250, Consortia bid word limit - 350</i></p>	
	<p><b>Answer:</b></p> <p>N/A</p>	
<b>Additional information</b>		
<p><b>2.16)</b></p> <p><i>Assessed but not weighted</i></p>	<p><b>Please confirm that you will be using Trustmark registered (or an equivalent body) businesses in line with the installer eligibility requirements, to ensure appropriate installation of measures to appropriate standards and quality [PAS2035].</b></p>	<p>[Yes]</p>
<p><b>2.17)</b></p> <p><i>For information only</i></p>	<p><b>Have you identified a PAS2035 retrofit coordinator? Please state your preferred route to market for procuring a retrofit coordinator: independent, contractor led, or in house.</b></p>	<p>[Yes]</p> <p>Preferred route to market: Our preferred route to market is contractor led as Novus have an established relationship and</p>



		developed processes with Energy Specifics Ltd (ESL).
<p><b>2.18)</b></p> <p><i>For information only</i></p>	<p><b>If applicable, please set out how your project will add social value, for example any plans to work with local colleges or provide apprenticeships to upskill the supply chain. Please note that SHDF Wave 2.1 grant funding may not be used beyond eligible costs set out in the Competition Guidance.</b></p> <p><i>Single bidder word limit – 300, Consortia bid word limit – 400</i></p> <p><b>Answer:</b></p> <p>Per the Social Value Act 2012, we consider how our procurement activities might improve economic, social, and environmental well-being.</p> <p>Novus has committed to collaborating on social value delivery with a focus on our objectives:</p> <ul style="list-style-type: none"> <li>• Reduce fuel poverty</li> <li>• Promote health and wellbeing</li> <li>• Make South Derbyshire District Council carbon neutral by 2030</li> </ul> <p>We will collaborate with our supply chain to prioritise the most meaningful and impactful initiatives in the local community, whether through charity fundraising, donating to food banks, or providing support on fuel bills.</p> <p>This could include:</p> <ul style="list-style-type: none"> <li>• <b>Heating fuel provision</b>, energy efficient white goods or other low-cost energy efficiency measures to support households experiencing a heating crisis</li> <li>• <b>Emergency support</b> for food, energy and goods for those struggling</li> <li>• <b>Launch national foodbank appeal</b> encouraging employees to donate to local foodbanks</li> <li>• <b>Undertake community improvement-projects</b> via Build Back Better schemes</li> <li>• <b>Encouraging employees to volunteer</b> during work hours ('Volunteer Hero' initiative)</li> <li>• <b>Donation</b> of materials/in-kind goods</li> <li>• <b>Allocate small grants</b> to customers who may be struggling with their energy bills</li> <li>• <b>Distribute Energy-saving advice booklets</b> to every customer</li> </ul> <p>Novus has agreed to work with Burton &amp; South Derbyshire College to</p>	

	<p>provide work experience opportunities in relevant trades in the supply chain.</p> <p>Through Novus' Think Local approach, we will maximise local labour on this project including subcontractors, manufacturers, materials, services. They will engage local supply chains through "Meet the Buyer" Events, Press and Internet campaigns, and through our recommendations. This is part of their supply chain commitment to us and will be reported against:</p> <ul style="list-style-type: none"> <li>• Employing local subcontractors in 20 miles</li> <li>• Offer real Living Wage</li> <li>• Skills buildings for those NEET e.g., workshops, training, apprenticeships</li> <li>• Employ SMEs and social enterprise</li> <li>• Provide work experience opportunities</li> <li>• Training and skills for local people</li> <li>• Prompt payment, within 27 days</li> <li>• Novus will assign a team member to be a 'business mentor' for each SME engaged</li> </ul>
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### Delivery Assurance

Worth 35% of the total marks.

<p><b>3.1)</b></p> <p><i>Assessed and weighted</i></p>	<p><b>Please provide a project plan for your project and attach this as Annex F. As a minimum, BEIS expects plans to include the following:</b></p> <ul style="list-style-type: none"> <li>• <i>Key project stages broken down into specific tasks</i></li> <li>• <i>Details of project set up and project team establishment</i></li> <li>• <i>Details of all necessary procurement activity</i></li> <li>• <i>Details of tenant engagement activity before, during and after works have been completed</i></li> <li>• <i>The steps needed for project design and coordination, including PAS2035 risk assessments, planning permissions, and building surveys</i></li> <li>• <i>Details of installation</i></li> <li>• <i>Details of post-installation activities and handover</i></li> <li>• <i>The 9 BEIS core milestones included in Table 9 of the application form should be integrated into the plan</i></li> </ul> <p><i>Appendix A of the competition guidance document provides further guidance to applicants on how to structure plans, as well as an example.</i></p>
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	<p><i>Consortia bidders should provide a detailed consortia plan as per the guidance in Appendix A of the competition guidance. Additionally, each consortia member should submit a plan on a page. The annex containing all plans should be submitted as a single document.</i></p>
<p><b>3.2)</b> <i>Assessed and weighted</i></p>	<p><b>Please provide a Risk and Issue Register for your project. The register must be completed in the supplementary template, titled “Annex G - SHDF Wave 2.1 Risk Register Template”, which can be downloaded from the SHDF Wave 2.1 webpage. All fields in the register should be completed to outline the risks and issues for the overall retrofit project and demonstrate mitigations you are putting in place to minimise the likelihood (in case of risks) and potential impact (both risks and issues). The Register should also include contingency plans should a risk materialise. Please attach the Risk and Issue Register as Annex G.</b></p> <p><i>Project Risk and Issue Registers should include, as a minimum, an assessment of the following risks:</i></p> <ul style="list-style-type: none"> <li>• <i>Tenants (both social and non-social) refuse works being carried out on their homes, including due to COVID-19</i></li> <li>• <i>Planning permission from the relevant department is not received in time</i></li> <li>• <i>Properties that are deemed eligible at application stage are found to be ineligible (EPC C or above)</i></li> <li>• <i>Leaseholders within mixed blocks refuse to finance works for infill homes</i></li> <li>• <i>Specific materials and supplies are not available in time (e.g., steel, heat pumps)</i></li> <li>• <i>Contracts, for retrofit coordinators or other necessary resources, are not in place in time to support delivery, due to delayed procurements, changing requirements, or lack of supply chain capacity</i></li> <li>• <i>There is variation between costs during delivery compared to those used at application stage</i></li> </ul> <p><i>The list above provides a list of some of the most common risks. BEIS expects Risk and Issue Registers to also include risks specific to each project.</i></p> <p><i>Consortia bidders should aim to capture risks and issues for the whole project, but are encouraged to still include specific risks that apply only to specific consortium members, making clear where this is the case.</i></p>
<p><b>3.3.a)</b></p>	<p><b>Please provide the following to evidence the capacity and capability of your project team. This should be attached as Annex H.</b></p>

<p><i>Assessed but not weighted</i></p>	<ul style="list-style-type: none"> <li>• <i>Organisational Design Map: This should comprise of a visual representation of the individuals forming your project team as well as the relationships between them. It should also show the contractors/suppliers (potentially) involved in the project, consortia members (if applicable) and who in your team will engage with BEIS/any BEIS appointed third parties.</i></li> <li>• <i>Profiles and mini-CVs for key personnel. This must include:</i> <ul style="list-style-type: none"> <li>○ <i>A named Project Sponsor</i></li> <li>○ <i>Project Manager</i></li> <li>○ <i>Reporting lead</i></li> <li>○ <i>Retrofit co-ordinator/assessor</i></li> <li>○ <i>Quantity surveyor</i></li> </ul> </li> </ul> <p><i>Consortia bidders should include details on the project or governance team for the consortia, which should include a clear overview of how the consortia works, and the roles within it including the senior responsible officer for each consortia member. A short overview of the project teams for individual consortia member projects should be included.</i></p> <p><i>Guideline annex length: single bidder – up to 2 pages, consortia – up to 3 pages</i></p>	
<p><b>3.3.b)</b></p> <p><i>Assessed but not weighted</i></p>	<p><b>Please confirm that the project team as outlined in question 3.3.a will be sufficiently resourced, including specifically for providing regular monthly data and reporting to BEIS.</b></p>	<p>[Yes]</p>
<p><b>3.4)</b></p> <p><i>Assessed and weighted</i></p>	<p><b>Please give an overview of how you will manage your project to deliver to time, cost, and quality.</b></p> <p><i>Your answer should include any Project Management methodologies, systems, and practices you plan to use. Your answer should also include any additional information you wish to provide relating to the documents and plans you have provided for question 3.1, 3.2 and 3.3. Your answer should reference but not be limited to the following: project planning, governance and controls, data and reporting, and risk and issue management (including fraud risk management and reporting). The internal governance process for handling cost variances within your project should be outlined here, but details on specific approaches taken to addressing cost variances should be covered in your answer to question 3.5.</i></p> <p><i>Single bidder word limit – 600, consortia bid word limit – 800</i></p>	

**Answer:**

Novus, Energy Specifics Ltd, and Constructive Thinking Studios Ltd, will collaborate to manage works on time, to quality, with cost certainty, in compliance with the SHDF. All organisations have an established relationship and have developed tried-and-tested joint processes through delivery of SHDF Demonstrator and Wave 1 projects. This team will be assigned to Wave 2 and use these lessons and tried-and-tested processes to deliver to time, cost, quality per BEIS milestones.

We will assign a dedicated, trained project management team, to assign accountabilities, ensure everyone works to deadlines, place strict governance in place to enable seamless, compliant delivery from day one, maximise allocated funds, achieve intended outcomes.

**TIME:****1. BEIS template**

**2. Use Project Plan**, attached in **Annex F**, (& Table 9) created by their dedicated Planner using Asta software, incorporating BEIS key milestones; we build contingency into our programme for unexpected circumstances

**3. Identify risks** and mitigation e.g., clearly communicate required material delivery dates, avoid bad weather conditions in programme

**4. Maximise operational efficiency** so workforce work productively e.g., trade continuity by giving individual trades a steady workload (eliminating need for subcontractors leave/return to the project)

**5. Focus on resident liaison/buy-in** to enable property-access

**6. Monitor plan adherence** through on-site supervision and digital tablets on-site to 'sign-off' key tasks/update master plan in real-time. Oneserve (Novus IT Management Software) will issue early warnings if plan is not being met, so mitigation measures are implemented. There will be weekly programme reviews to ensure we are on-track.

**COST:**

**1. Identifying risks** in project risk register, so controls can be implemented. Novus has expert understanding of retrofit-risks and mitigation e.g., commercial/**fraud risks** associated with funding allocation, mitigated through Novus' management process to evidence work delivered, (e.g. before/after photos). Novus will assign specialist owners to each risk to maintain accountability, with ongoing monitoring (e.g., weekly reviews).

**2. Conducting robust retrofit surveys, assessments, designs**, with cost confidence guaranteed from outset and all activities in the plan.

	<ol style="list-style-type: none"> <li>3. <b>Partnering with PAS-2030 certified subcontractors and material suppliers</b>, outlining delivery dates, agreeing fixed costs where possible, ensuring availability/capacity to deliver.</li> <li>4. <b>Ordering materials at survey/design stage</b>, including bulk-buying materials to reduce costs/lead-in times.</li> <li>5. <b>Supply chain benchmarking</b> across similar retrofit projects, so prices are regularly reviewed/renewed providing value.</li> <li>6. <b>Maintain budget compliance</b>, through digital Spend Tracker, to review 'predicted vs actual' spend, detailing proposed budgets for each work element, preliminaries, for individual properties.</li> </ol> <p><b>QUALITY STANDARDS (including Trustmark):</b></p> <ol style="list-style-type: none"> <li>1. <b>Creation of ISO 9001-certified quality plan</b> by Novus detailing controls</li> <li>2. <b>Novus project teams</b> to manage and oversee quality standards,</li> <li>3. <b>Team training</b>, e.g., PAS 2035, PAS 2030 etc. to comply with quality standards</li> <li>4. <b>Strict supply chain selection, management</b>, training, accreditation,</li> <li>5. <b>Daily briefings</b> providing site teams clear instructions on standards,</li> <li>6. <b>Inspections</b> e.g., daily supervisor checks, key-stage inspections,</li> <li>7. <b>Data collection/reporting</b>, throughout the project/upon completion, to evidence delivery is on track and compliant with funding T&amp;Cs. Novus has a reporting pack for government-funded SHDF projects, to be amended to meet Wave 2 reporting requirements. Data will be collected digitally on-site, integrated with Oneserve to support an auditable digital trail (including photographs, certification). Reports will be stored on a secure, GDPR compliant, shared drive with SDDC, exportable in multiple formats. Reporting/administration will remain up-to-date, supporting seamless lodging-process/funding-release.</li> <li>8. <b>Conducting joint handover-inspections</b>, upon completion of each including robust testing and commissioning as per PAS 2035 for each measure (if there are multiple measures they will be commissioned together). Novus will confirm tenants are happy with the works (and understand how to operate systems) before leaving their homes.</li> <li>9. <b>Resident monitoring/evaluation</b>, 3, 6, 9 months post-completion,</li> </ol>
<p>3.5)</p> <p><i>Assessed but not weighted</i></p>	<p><b>Please give an overview of how you plan to approach any cost variations to those levels applied with throughout the life cycle of your project. Your answer should include:</b></p> <ul style="list-style-type: none"> <li>• <b>How you will approach any changes to costs that occur after bid stage. This may include:</b> <ol style="list-style-type: none"> <li>1. <b>Any potential/plans for using organisational contingency funding. Please note, costs applied with as part of the</b></li> </ol> </li> </ul>

	<p><b>SHDF application should be realistic costs for delivery of the project in the current environment. By contingency funding in this question, BEIS means applicant funding available in addition to these realistic levels included elsewhere in this application form.</b></p> <p><b>2. If there are unexpected cost increases beyond those levels applied with, and insufficient availability of any contingency funding to cover such cost increases, how applicants would consider the suitability of the measure mix and number of homes to be retrofitted, while still bearing in mind the key SHDF principles of delivering a fabric first approach to EPC C at scale. How any decreases in costs from those applied with would be approached, including any considerations on delivery of additional homes.</b></p> <p><b>3. Any provisions that you have in existing contracts or mechanisms that you will include in contracts that will be procured to address cost variation including those driven by inflation.</b></p> <p><i>In response to this question, you may wish to cross reference the rate of inflation you have included in your costings, as detailed in question 4.2.</i></p> <p><i>Single bidder word limit – 250, consortia bid word limit – 350</i></p>				
	<p><b>Answer:</b></p> <p>Through cooperation with Novus and an open-book approach we will be reactive to cost-increases and follow strict variation processes.</p> <p>A lesson from Wave 1 was underestimating enabling works involved, which further emphasised the importance of having better understanding of housing stock. We have therefore been proactive in modelling upfront to archetype properties to provide cost-certainty. Novus also uses CPIs to calculate inflation levels from The National Office of Statistics, providing transparency.</p> <p>We will capitalise on economies and be collaborative in our approach to budget adherence:</p> <table border="1" data-bbox="448 1843 1469 1971"> <thead> <tr> <th data-bbox="448 1843 687 1888">Risk</th> <th data-bbox="687 1843 1469 1888">Contingency</th> </tr> </thead> <tbody> <tr> <td data-bbox="448 1888 687 1971">Measure costs increase</td> <td data-bbox="687 1888 1469 1971">Novus and Retrofit Designers would ‘design-out’ using economically viable alternatives.</td> </tr> </tbody> </table>	Risk	Contingency	Measure costs increase	Novus and Retrofit Designers would ‘design-out’ using economically viable alternatives.
Risk	Contingency				
Measure costs increase	Novus and Retrofit Designers would ‘design-out’ using economically viable alternatives.				



	Increasing inflation	Novus would prioritise more expensive works to mitigate inflationary pressures. If reductions were envisaged we may delay to more advantageous time
	Proposed works exceed budget	Reschedule and/or reduce measures or properties, focussing on properties most feasible to achieve EPC C, for minimum cost) or leverage other maintenance provisions to mitigate unforeseen increases.
	<p>Identifying back-up properties is part of our ongoing asset management strategy to address potential cost decreases, pending detailed stock condition surveys in 2023, prioritised moving forward.</p> <p>Where unforeseen circumstances arise, we would follow agreed variation procedures, supported by data from Novus' Oneserve system:</p> <ol style="list-style-type: none"> <li>1. Variation identified (Novus)</li> <li>2. Photographs taken, sent to Surveyors (Novus)</li> <li>3. Surveyors view and quote variation price (Novus)</li> <li>4. Variation evidence/quote emailed to us for approval (Novus)</li> <li>5. Variations approved or sent back to re-quote (SDDC)</li> <li>6. Novus operations team authorised to proceed with works</li> </ol>	
<p><b>3.6)</b></p> <p><i>Assessed but not weighted</i></p>	<p><b>Please provide a statement detailing your confidence in delivering this project. Where possible, this should be done through the provision of evidence of successful delivery of at least one past construction and or/ energy efficiency project of a similar size, scale, and complexity. Further information may be included as Annex I.</b></p> <p><i>Applicants should provide a clear narrative, supported by evidence as to their confidence in delivering this project. Applicants may include evidence such as case studies, references from past projects, or screenshots of monitoring as annex I to further illustrate the written justification provided.</i></p> <p><i>Evidence can include the following:</i></p> <ul style="list-style-type: none"> <li>• <i>An overview of the project and its objectives, and robust evidence of delivery performance including but not limited to: KPIs and milestones achieved; measures completed in line with original project baseline; Budget/VFM, and benefits achieved. Where applicants have participated in relevant BEIS and DLUHC grant schemes should use these schemes as their primary evidence base but may include other additional examples.</i></li> <li>• <i>Narrative on past delivery challenges with a clear demonstration of how these issues were addressed and will be mitigated</i></li> </ul>	



	<p><i>against during the delivery of the SHDF project, specifically referencing how lessons have been learned by the organisation.</i></p> <ul style="list-style-type: none"> <li>• <i>Use of case studies; references from past projects; monitoring or/and final reports.</i></li> </ul> <p><i>Where an applicant is unable to answer this question with an example, they should outline the processes that have been put in place to ensure they are equipped to deliver this project, and may cross reference to other responses given within this application form.</i></p> <p><i>BEIS reserves the right to utilise applicant performance evidence sourced internally from the delivery teams managing the BEIS/other department schemes including but not limited to: monitoring or/and final reports; performance statement from Project Director; report by Scheme Administrator; 3rd party Technical Consultants reports. If an applicant's past performance would impact BEIS's confidence in their ability to deliver the project, the narrative on past delivery challenges or references to the appropriate mitigations in the Risk and Issues register should give BEIS the confidence that any such failure or issue will not recur if that applicant were to be awarded grant funding.</i></p> <p><i>Single bidder word limit – 500, consortia bid word limit – 700</i></p> <p><i>Guideline annex length: single bidder – up to 1 page, consortia – up to 2 pages</i></p>
	<p><b>Answer:</b></p> <p>Under SHDF Wave 1, we are currently in the process of delivering 'whole house' retrofit to 120 properties to varying degrees dependent on the EPC rating and recommended improvement package for each property: for Loft Insulation, cavity wall, windows &amp; doors, low voltage fans, some below DPC EWI, and general draft-proofing. This project is in the early stages of delivery.</p> <p>The project team for this scheme is largely the same as we would opt to use for Wave 2.1 and has informed our project approach. We are confident that having a team that is familiar and experienced with the processes and programme will give us an added advantage. Due to lessons learned Novus have employed a new Senior Project Manager with vast retrofit experience, Carl Wright. Barry Hill (trained L5 co-ordinator) is now in an advisory role to add a further layer of assurance.</p> <p>We have included a case study for an alternate scheme delivered by Novus for Redditch Borough council to evidence their capabilities in delivering compliant works to conclusion with intended outputs delivered. See detailed case study attached as <b>Annex I</b>.</p>

	<p>Collaboratively, the Novus sustain centre of excellence in collaboration with Energy Specifics and Constructive Thinking, has contributed to projects for over 500 social housing properties, with 1000 undergoing assessment, and over 5000 Trustmark lodgements to date.</p> <p>Further examples of where Novus/ESL (Energy Specifics Ltd)/CTS (Constructive Thinking Studios Ltd) have successfully delivered fabric-first decarbonisation projects:</p> <ul style="list-style-type: none"> <li>• <b>Brent PAS2035 Retrofit pilot:</b> EWI, windows, internal wall insulation, high-heat retention heaters</li> <li>• <b>Northampton Partnership Homes:</b> SHDFd &amp; SHDF Wave 1 EWI, loft insulation and associated works (e.g. Solar PV, air source heat pumps, ventilation, installation of smart meters)</li> <li>• <b>Stevenage Local Authority Delivery LADS 2 &amp; SHDF Wave 1:</b> CWI, loft insulation, photovoltaics, low energy lighting, and installation of GSM meters</li> <li>• <b>London Borough of Enfield LADS 1B &amp; SHDF Wave 1:</b> EWI, loft insulation and mechanical fans</li> <li>• <b>Dacorum LADS 2 &amp; SHDF Wave 1:</b> EWI, windows, flat roof, PV</li> <li>• <b>Chester – Guinness SHDF Wave 1:</b> EWI, Windows, loft</li> <li>• <b>Stonewater (Batches 1-4)LADS 2 &amp; SHDF Wave 1:</b> B1 and 2 - CWI + associated</li> <li>• <b>Nottinghamshire W1 &amp; 2 SHDFd &amp; SHDF Wave 1:</b> EWI, windows, loft</li> </ul>
<p><b>3.7)</b> <i>Assessed and weighted</i></p>	<p><b>Please describe in detail your commercial and procurement strategy to support the delivery of the project including already established supply chains and how you will support supply chain development. Please complete table 8 as part of this question.</b></p> <p><i>Applicants should include commercial and procurement strategies considering all contracts (or planned contracts) that will be placed using grant funding, and/or details of any amendments to existing contracts to deliver the project. This should include timelines, market engagement strategies, contract route, contract management and performance plans, pricing model, evaluation/award criteria and other information. Applicants should describe how they will support the delivery of HM Government policies with a focus on Social Value, supporting SMEs, Prompt Payment, Modern Slavery and Carbon Reduction Plans.</i></p> <p><i>If new procurements are required and these are not known at the time of application, applicants should provide an indication of planned contracts to be placed to deliver the grant funding (e.g by value, type). Details not known at the time of application should be itemised in the</i></p>

	<p><i>risk register, along with planned actions and milestone dates for resolution in the project plan.</i></p> <p><i>If existing procurements are amended or extended, applicants should consider any procurement risks of increasing volumes of work and values through existing contracts or frameworks, especially where subject to project change requests.</i></p> <p><i>Single bidder word limit – 600, consortia bid word limit – 800</i></p>
	<p><b>Answer:</b></p> <p>We have procured Novus’ services via the Fusion21 Framework for delivery of the Wave 1 scheme and will continue to use this Framework or equivalent for the delivery of the Wave 2 scheme, opting to direct award via a new call-off contract to accommodate a completion date in 2025.</p> <p>The current Contract is a “whole house” contract including all major/planned/responsive works to Council properties. Through this framework we went out to competitive tender with two qualifying contractors. Novus Property Solutions Ltd (Novus) were the successful bidder in terms of both price and quality. The contract was let under a JCT MTC commencing June 2019 for 3 years with an option to extend for 2 years which was agreed. For the remaining year of the SHDF Wave 2, we would look to procure Novus’ services again through an appropriate framework, options for which are outlined below.</p> <p>Novus have several existing procurement frameworks which we can directly award through, following an OJEU compliant procurement process. These all have no geographical restrictions. Frameworks/DPS’ they can utilise include;</p> <ul style="list-style-type: none"> <li>• Procure plus holdings limited, Retrofit Programme Delivery Services DPS</li> <li>• Prosper (ne) procurement limited, Decarbonisation Retro-Fit Framework (including Refurbishment works)</li> <li>• Communities and housing investment consortium ltd (CHIC), National Optimised Retrofit Installations DPS 2022</li> <li>• Fusion 21 limited, Decarbonisation Framework</li> <li>• Efficiency east midlands, Decarbonisation Framework</li> <li>• Efficiency North, Whole House Installation Works Under £2m</li> <li>• CPC, Whole House WH2 framework</li> </ul> <p><b>Direct award via an appropriate framework</b></p>

Direct awards can be made under multi-supplier framework arrangements which set out all the terms under which contracts may be called off without further agreement.

In these circumstances, the specific contract will be offered to the supplier who will be able to fulfil the order most efficiently. Novus enable us to establish a compliant contract with a trusted partner, at speed to ensure the contract timescales can be met.

From our discussions with Novus, and their relationships with Framework Consortiums, we understand that contracts could be signed within 2 weeks of confirmation of funding award, with a Value for Money Statement produced should there be a requirement, based on the above parameters.

We are satisfied that Novus has the resource to provide a turnkey solution as our preferred contractor and that they have procured the relevant supply chain including:

Retrofit Coordinator/Assessor/Evaluator: Energy Specifics Ltd – Multiple Level 5 Qualified persons

Retrofit Designer: Constructive Thinking Studios Ltd – RIBA & RICS qualified Architects

Approved installers: Novus has been continuously procuring Trustmark/MCS or equivalent installers throughout 2021/22 and have successfully onboarded local, capable and compliant installers to carry out the proposed measures. Installers include Emmott Pierce, and Phoenix Renewables.

This pre-established, partnership approach will aid the delivery of this project within the challenging timeline.

### **Support the delivery of HM Government policies**

We will support the delivery of HM Government policies with a focus on Social Value, supporting SMEs, Prompt Payment, Modern Slavery and Carbon Reduction Plans throughout the delivery of this programme and have commitment from our supply chain to invest in our initiatives as part of contract KPIs.

In order for us to engage with a supplier, they must supply their relevant policies and sign up to our minimum standards regarding

	<p>supplier payment, carbon reduction, and modern slavery. Suppliers are incentivised to exceed upon minimum benchmarks.</p> <p>We have a zero-tolerance policy regards to Modern Slavery in the supply chain and robust escalation procedures. Please see 2.18 for our social value commitments which include prioritisation of local employees and SMEs, Environmental commitments, prompt payment and community benefits.</p>
<p><b>3.8)</b> <i>Assessed and weighted</i></p>	<p><b>Please provide a comprehensive and proactive plan detailing your approach to considering the needs of tenants and overall tenant engagement.</b></p> <p><i>BEIS expects applicants to detail all tenant interaction relevant to the SHDF, including engagement/planning carried out prior to application submission.</i></p> <p><i>Applicants should detail the methods and materials to be used for tenant engagement. Applicants should describe how they will secure buy in from tenants on both the proposed retrofit approach to the home and entry to the home to undertake any necessary surveys and to carry out works. BEIS expects tenant engagement to go beyond leafleting and cold calling, which BEIS does not consider to be sufficient methods of tenant engagement when implemented in isolation. Tenants should have access to a communications platform where they can have questions answered and concerns resolved with the Landlord.</i></p> <p><i>Applicants should also demonstrate that individual vulnerabilities and tenant concerns have been considered with explicit reference to protected characteristics listed under the Equality Act 2010. Applicants should demonstrate that they have considered tenant comfort, wellbeing and satisfaction both during and post works, and provide a follow up plan including how you will educate tenants around new measures and technologies after works have been completed.</i></p> <p><i>Learnings from the SHDF Demonstrator scheme are that poor tenant engagement is a particular blocker to successful delivery.</i></p> <p><i>Single bidder word limit – 500, consortia bid word limit – 700</i></p>
	<p><b>Answer:</b></p> <p>We will work with Novus, to maintain tenant engagement. Novus are PAS2035 certified, TrustMark registered, TPAS members, hold</p>

ISO9001 policies/procedures, maintain average 97.7% customer satisfaction across all contracts.

Considering lessons from Wave 1, we have been proactive with tenant engagement and are implementing further measures for Wave 2.1, including open-house property set-up as an office in a central/accessible location, community meetings, parish-council meetings, local counsellors to promote work.

**Pre-Works.** Novus will:

1. **Appoint dedicated Customer Liaison Officers (CLOs)** to provide support/advice to tenants and leaseholders, be key points of contact (24/7/365), engage with adjoining neighbours,
2. **Train tenant-facing staff on carbon literacy** to support tenant engagement (*Novus delivered Retrofit Academy PAS 2035 and Environmental Awareness training*)
3. **Create project-specific tenant engagement plan**, engaging with our housing team/local tenant groups considering local community needs, detailing ways to maximise wellbeing/comfort/satisfaction.
4. **Identify tenant needs, particularly those with vulnerabilities or Equality Act 2010 protected characteristics** in tenant one-to-ones to understand their requirements and formulate individual Customer Care Plans including extra support (recording digitally on Oneserve):
  - Respite/chaperones and/or engagement with family/carers,
  - Enhanced communication e.g., interpreters, braille, large-print, NGT (also key to ensuring tenants understand handovers)
  - Specific work-methods e.g., extra assurance for those with learning difficulties, access-routes,
5. **Secure tenant's buy-in:**
  - **Consultation**, virtually/in-person (in accessible locations) to promote retrofit benefits and discuss programmes.
  - **Tenant champions**, trained by Novus, to champion the work and provide retrofit support to tenants/communities,
  - **Pilots**, at project-start, showcasing proposed works to tenants, inviting champions early-on to relay information to wider groups
  - **Visits to existing retrofit projects** to demonstrate approach,
  - **Case studies/success stories** on positive impacts
  - **Showcasing retrofit measures** using unit samples
  - **Hand-deliver letters/simplified retrofit materials (i.e., factsheets) to tenants**, providing early opportunity to answer queries, provide retrofit advice, arrange surveys/one-to-ones.
6. **Send appointment reminders to maximise entry:**
  - Letters sent 14-days/seven-days before works start
  - Reminder messages sent the day before appointments,

	<p>○ Texting/calling tenants whilst en-route.</p> <p><b>During Works.</b> Novus will:</p> <ol style="list-style-type: none"> <li>7. <b>Support tenants during Whole Dwelling Assessments</b>, with CLOs present to discuss intended outcomes and explain how behaviours influence long-term success.</li> <li>8. <b>CLO visits day before work-start</b>, checking tenants are comfortable with upcoming works, supporting with preparation e.g., clearing lofts.</li> <li>9. <b>Maintain active communication during works to ensure ongoing wellbeing, comfort, satisfaction</b>, tailored to suit individual tenants: <ul style="list-style-type: none"> <li>• Daily Site Manager briefings with tenants before work start,</li> <li>• Daily CLO contact to ensure tenant comfort/wellbeing,</li> <li>• 24/7/365 contact-number,</li> <li>• Key stage updates e.g., notifying disruptions to services,</li> <li>• Open-door policies for tenants at site offices,</li> <li>• Regular tenant consultation to gain ongoing feedback,</li> <li>• Monthly newsletters, detailing overall progress.</li> </ul> </li> </ol> <p><b>Post Works.</b> Novus will:</p> <ul style="list-style-type: none"> <li>• <b>Educate tenants</b> on installed measures/technologies, advising on how to operate efficiently and maximise benefits</li> <li>• <b>Provide dedicated after-care number</b>, providing ongoing access, including active follow-up calls at 3/6 months post-work</li> <li>• <b>Provide tenant user/energy-saving manuals</b> in easy-to-read format,</li> <li>• <b>Capture tenant feedback/measure satisfaction</b>, using preferred communication methods for individual tenant.</li> </ul> <p>Novus will incorporate lessons learnt from Demonstrator/W1 projects into Wave 2 delivery, to continuously improve tenant experience.</p>
<p><b>3.9)</b></p> <p><i>Assessed but not weighted</i></p>	<p><b>Please provide a baseline estimate for total volume of properties per month against milestones. Please include your plan for both volume and cost, including any contingency you have accounted for.</b></p> <p><i>Applicants should insert numbers to Table 9 where applicable to indicate how many properties will complete each milestone per month. This should be as total volume.</i></p>
<p><b>3.10)</b></p> <p><i>Assessed but not weighted</i></p>	<p><b>Please provide a baseline estimate for how much money, including co-funding, will be spent per milestone per month.</b></p> <p><i>Applicants should complete Table 10 outlining how much money, including co-funding, will be spent per month. The information supplied should be inserted in numerical £ value.</i></p>

<p><b>3.11)</b> <i>Assessed but not weighted</i></p>	<p><b>Will a partial upfront payment at the start of the delivery window be needed to quickly mobilise the project and ensure on-time delivery?</b></p> <p><i>Please note that upfront payment is not guaranteed and will be considered on a case-by-case basis.</i></p> <p>If yes, please outline why.</p> <p><i>Single bidder word limit – 200, consortia bid word limit – 300</i></p>	
	<p><b>Answer:</b></p> <p>No</p>	
<p><b>3.12)</b> <i>Assessed but not weighted</i></p>	<p><b><i>[Consortium applications only]</i> Please outline why you have brought this consortium together. You should include the strategic purpose of this consortium and what you are aiming to achieve as a consortium.</b></p> <p><i>Consortia bid word limit – 350</i></p>	
	<p><b>Answer:</b></p> <p>N/A</p>	
<p><b>3.13)</b> <i>Assessed but not weighted</i></p>	<p><b><i>[Consortium applications only]</i> Will you arrange for legally binding agreements between your consortium members, as per the competition guidance and requirements of the Grant Offer Letter?</b></p>	<p>N/A</p>
<p><b>3.14)</b> <i>Assessed but not weighted</i></p>	<p><b><i>[Consortium applications only]</i> Have you conducted appropriate due diligence on the organisations and projects within your consortium, as per the competition guidance?</b></p>	<p>N/A</p>
<p><b>3.15)</b> <i>Assessed but not weighted</i></p>	<p><b><i>[Consortium applications only]</i> How do you plan to manage the delivery of the project across consortium members?</b></p> <p><i>Please refer to governance arrangements, data reporting and data sharing agreements, ways of working and any flexible approaches to project outcomes you will apply. Please also discuss the differing</i></p>	



	<p><i>supply chains and contractors used across the projects within the consortium.</i></p> <p><i>Consortia bid word limit – 400</i></p>	
	<p><b>Answer:</b></p> <p>N/A</p>	
<p><b>3.16.a)</b></p> <p><i>For information only</i></p>	<p><b>To effectively manage public spend, BEIS will commission an independent evaluation of SHDF Wave 2.1. Do you have plans to evaluate the progress and impact of your project independently of/ in addition to the BEIS- commissioned evaluation?</b></p>	<p>No</p>
<p><b>3.16.b)</b></p> <p><i>For information only</i></p>	<p><b>If yes, please give a brief overview of how you will evaluate your project, including:</b></p> <ul style="list-style-type: none"> <li>• <i>the research aims</i></li> <li>• <i>the research timeframe</i></li> <li>• <i>if you plan to carry out primary data collection, the type of data collection (survey, interviews etc.), and with whom.</i></li> </ul> <p><i>If you intend to commission your evaluation to a third-party (such as a University or Research Institution), please refer to this in your response.</i></p> <p><i>Please note that there is no requirement for grant award recipients to conduct independent monitoring or evaluation of their projects beyond compliance with the requirements set out under Declarations below and in Section 7.2 of the Competition Guidance.</i></p> <p><i>For further information on BEIS' monitoring and evaluation requirements, please see Section 7.2 in the Competition Guidance.</i></p> <p><i>Single bidder word limit – 300, consortia bid word limit – 400</i></p>	
	<p><b>Answer:</b></p> <p>N/A</p>	

## Value for Money

Worth 30% of the total marks	
<p><b>4.1)</b> <i>Assessed and weighted</i></p>	<p><b>BEIS will carry out a value for money assessment based on the mix of measures proposed, which will be scored.</b></p> <p><i>Please ensure the information entered into table 2 is correct. Applicants are expected to propose cost effective measures appropriate for their chosen stock which align with the SHDF Wave 2.1 objectives and strategic approach. Applications installing measures that are not making cost effective progress towards the SHDF's strategic objectives are likely to receive a low score in the 'Value for Money' section of the assessment, particularly where these measures are accountable for a significant proportion of the spend.</i></p>
<p><b>4.2)</b> <i>Assessed and weighted</i></p>	<p><b>Please complete tables 11, 12, 13 and 14 to provide a detailed cost breakdown of the project, then fully justify the cost breakdown provided below. Evidence may be supplied as Annex J.</b></p> <p><i>Please outline why the proposal represents good value for money.</i></p> <p><i>Applicants are not expected to maximise the available grant funding for retrofit works for every home (as outlined in Section 2.11.2) and should request grant funding based on the costs required to upgrade homes to SHDF performance outcomes.</i></p> <p><i>Applicants must justify their proposed capital costs for retrofit works and associated A&amp;A. Some factors that may affect costs are: spread of dwellings, cost of materials, cost of installers, how effective existing contracts were or new procurements will be at achieving value for money, supply chain infrastructures, archetypes treated/inclusion of hard-to-treat properties and level of funding required to meet SHDF performance outcomes.</i></p> <p><i>Poorly evidenced costs at bid stage are a clear challenge to effective delivery. Applicants should justify why the cost breakdown provided is an accurate reflection of actual costs that will be seen in delivery. As a minimum, bidders should engage with the supply chain, and outline this engagement in the response, along with how it has given confidence to the costs provided. Bidders should also factor in any estimates of inflation, outlining the level incorporated into the bid. Applicants should justify these estimates. The rate at which inflation is factored in will be left at the discretion of the bidder but must be supported by evidence which may</i></p>

*include, but is not limited to, recent experience on construction projects, or recent price changes seen in the market.*

*To supplement this, applicants may also wish to consider additional information as appropriate, eg consultations with Accounting Officers, further cost research, etc.*

*Applicants are expected to provide evidence of cost research, eg quotes from suppliers, as annex J.*

*BEIS will carry out a value for money assessment of bids, including a cost benchmarking exercise (i.e., comparing equivalent costs against costs seen in other bids) – with the aim of ensuring that bids represent good value for money but also are evidence based. Bids with poor cost justification will receive a low value for money score. The value for money assessment, including cost benchmarking, will be considered at portfolio review stage, to supplement the written response to this question – with the suitability of bids exhibiting relatively very high costs (i.e. potentially not exhibiting value for money) or very low costs (i.e. potentially not exhibiting evidence based/realistic costs) in particular likely to be considered.*

*Administration and ancillary (A&A) costs are expected to be as low as possible. Grant funding on A&A must be less than 15% of total grant funding - the expectation is that A&A spend should make up less than 15% of total costs. There is not scope to increase this proportion of grant funding used on A&A; however, in exceptional circumstances there may be scope for landlords to use slightly more than 15% of overall project costs for A&A purposes through spending slightly greater than 15% of the co-funding contribution on A&A. Applicants should justify the level of A&A costs requested.*

*Single bidder word limit – 650, consortia bid word limit – 850*

*Guideline annex length: single bidder – up to 4 pages, consortia – up to 6 pages*

**Answer:**

**Due diligence undertaken in developing proposals:**

Novus are currently delivering numerous PAS 2035 compliant schemes across the UK, meaning they have been able to accurately benchmark costs and provide high levels of cost-certainty, alongside considering the current market and inflation risk.

They managed a concurrent tender process to ensure contractors are aware of all key parameters, to ensure they ascertained the most competitive and to ensure 100% compliance with PAS2035.

Proper due diligence has been executed in engaging only with contractors who are Trustmark registered and able to supply the requisite PAS2030 certifications.

Subcontractors were pre-qualified on this basis and required to submit tenders with a 60% quality/40% cost split. Offers were benchmarked accordingly to ensure the most economically advantageous proposal to feed into our final tender submission. See **Annex J**.

Their costs have been proposed with cost savings/efficiencies in mind (whilst not compromising quality, safety, tenant satisfaction) so they submit a value for money (VFM) price. Their Commercial and Estimating teams have considered spread of dwellings, material costs, installer costs, supply chain infrastructures, property archetypes including hard-to-treat dwellings.

Constructive Thinking Studios have undertaken detailed retrofit designs per the PAS 2035 standard using energy modelling. By capturing requirements accurately through retrofit assessments and designs, there will be 'no surprises'/scope changes, so we can be confident in the costs agreed.

We ensured the proposal represents good value for money by:

- Obtaining accurate EPC data
- Interrogating designs
- Obtaining 'firm costs' from supply chain ensuring costs they quote are fixed for contract
- Feeding into asset management strategy
- Holding value-engineering workshops
- Sourcing the market for compliant products that maximise cost/benefit
- Benchmarking suppliers to ensure the most competitive rates

To provide cost-certainty and minimise variations, we will follow strict procedure:

1. Ensure Retrofit coordinator undertakes initial technical surveys as soon as practicable to establish property condition and EPC rating
2. Constructive Thinking will produce a Complete Retrofit Design and formulate complete specification in line with PAS requirements
3. Novus team will interrogate the design and challenge areas as necessary before jointly appraising and confirming specification
4. They will then quantify using our agreed pricing matrices aligned with the contract
5. We will then have the opportunity to challenge/approve

**Why Novus' proposal represents VFM:**

	<p>Novus' commercial proposal and overall delivery methodologies embed VFM, through:</p> <ul style="list-style-type: none"> <li>• <b>Early supply chain engagement</b>, driving value from the outset. Novus' supply chain will already be engaged and understand requirements of the project, contributing to their ability to provide sustainable, compliant prices that maximise value. Novus prioritise using local suppliers wherever possible, guaranteeing reduced costs for deliveries and lead-times, with agreements in place with large national suppliers (e.g., Travis Perkins) which guarantee fixed, competitive prices.</li> <li>• <b>Competitive commercial submissions</b>. Novus' Estimating team have sent enquiries to numerous local PAS2030 certified suppliers (on a preferred supplier list), based on our requirements. For each trade, they received at least three quotations to drive VFM. They incorporate a quality element into the process, ensuring suppliers hold relevant certification and commit to wider social value and environmental benefits.</li> <li>• <b>Conducting supply chain benchmarking exercises</b>, across similar PAS 2035 retrofit projects to ensure supply chain prices are regularly reviewed and renegotiated.</li> <li>• <b>Assigning dedicated Commercial team to the project</b>, comprised of Commercial Manager Paul Grant, and Quantity Surveyor Sean Ritchie to oversee budget management and evaluate a variety of measures and options to drive VFM.</li> <li>• <b>Sharing project cost data with supply chain</b>, to identify efficiencies collaboratively and lower costs throughout the project duration.</li> <li>• <b>Incorporating strategic asset management processes</b>, to identify where repairs and maintenance can be incorporated within the works to improve overall life-cycle costings, whilst keeping repairs costs low through making use of scaffolding/plant in-situ.</li> <li>• <b>Embedding innovation</b>, by engaging the Novus Innovation Network to identify innovative products/new ways of working.</li> </ul> <p><b>Admin &amp; Ancillary costs</b></p> <p>Our admin and ancillary costs are 6%. These costs include:</p> <ul style="list-style-type: none"> <li>• Project management, reporting, and governance costs</li> <li>• PAS 2035 retrofit assessor and coordinator costs</li> </ul>
<p><b>4.3)</b> <i>Assessed but not weighted</i></p>	<p><b>Please complete table 15 with the amount of co funding you will input, then confirm the source of funds for co funding. (Further information can be found in the guidance, section 2.11). Supporting evidence of secured co-funding, and of any blended funding to be utilised, should be provided as Annex K</b></p>

	<p><i>Applicants are requested to state their overall co-funding contribution, which must be a minimum of 50% of eligible project costs. Applicant should also outline any blended funding to be utilised (see guidance section 2.12).</i></p> <p><i>Applicants should outline the source of funds for co-funding and are expected to provide evidence of secured co-funding such as board sign off, minutes from meetings or letters of commitment, as annex K. Applicants are required to provide evidence that co-funding has been signed off at CFO level. The co-funding value shown in evidence should match the value input to table 15 of the application form.</i></p> <p><i>Single bidder word limit – 200, consortia bid word limit – 300</i>  <i>Guideline annex length: single bidder – up to 5 pages, consortia – up to 8 pages</i></p>												
	<p><b>Answer:</b></p> <p>The SDDC 50% contribution of £875,836.04 has been provisionally approved and evidence attached in Annex K.</p>												
<p><b>4.4)</b></p> <p><i>For information only</i></p>	<p><b>Please indicate in the table below which benefits you foresee for your project, including highlighting which benefits are monetised for the project, and which are non-monetised/qualitative benefits.</b></p> <p>To further build understanding, BEIS wishes to get comprehensive feedback on what benefits of social housing retrofit are included by landlords as part of their internal value for money calculations for internal approvals processes, as well as any other benefits included by landlords as part of their internal approvals processes. This question is for information only and will not be assessed.</p> <p><i>The government's Green Book sets out guidance on the valuation of benefits, but recognises that there may be additional benefits beyond those for which there is a formal methodology for monetisation.</i></p> <p><i>The following table highlights a selection of potential benefits from the project. This list is not intended to be exhaustive.</i></p> <p><i>For consortia, please include benefits that are considered by any member.</i></p> <table border="1" data-bbox="395 1727 1469 2002"> <thead> <tr> <th data-bbox="395 1727 836 1854">Benefit</th> <th data-bbox="836 1727 1139 1854">Monetised (Yes /No)</th> <th data-bbox="1139 1727 1469 1854">Non-monetised/ qualitative (Yes/ No)</th> </tr> </thead> <tbody> <tr> <td data-bbox="395 1854 836 1928">Energy savings/bill savings for tenants</td> <td data-bbox="836 1854 1139 1928">Yes</td> <td data-bbox="1139 1854 1469 1928">No</td> </tr> <tr> <td data-bbox="395 1928 836 1966">Carbon savings</td> <td data-bbox="836 1928 1139 1966">Yes</td> <td data-bbox="1139 1928 1469 1966">No</td> </tr> <tr> <td data-bbox="395 1966 836 2002">Improved air quality</td> <td data-bbox="836 1966 1139 2002">No</td> <td data-bbox="1139 1966 1469 2002">Yes</td> </tr> </tbody> </table>	Benefit	Monetised (Yes /No)	Non-monetised/ qualitative (Yes/ No)	Energy savings/bill savings for tenants	Yes	No	Carbon savings	Yes	No	Improved air quality	No	Yes
Benefit	Monetised (Yes /No)	Non-monetised/ qualitative (Yes/ No)											
Energy savings/bill savings for tenants	Yes	No											
Carbon savings	Yes	No											
Improved air quality	No	Yes											

	Improved comfort for tenants	No	Yes
	Improved health outcomes for tenants	No	Yes
	Removing homes from fuel poverty	Yes	No
	Supporting green jobs	No	Yes
	Reducing strain on the NHS	No	No
	Developing the retrofit supply chain	No	Yes
	Innovation/developing new technologies	No	Yes
	Reduction in demolitions	No	No
	Supporting groups with protected characteristics	No	Yes
	Improving the market value of social housing	Yes	No
	Contributing to the levelling up agenda	No	Yes
	Improving building standards through PAS2035	No	Yes
	Improving building safety	No	No
	Increasing affordability for tenants	Yes	No
	Other (please specify)	Yes	No

### Optional question: Digitalisation of retrofit innovation funding

- This question is optional. Applicants wishing to apply for supplementary digitalisation of retrofit innovation funding should complete the question below.
- It is expected that applicants applying for digitalisation support will have an existing digitalisation strategy.
- It is not expected that all applicants will apply for digitalisation funding – and not doing so will not adversely affect an application at assessment stage.
- Further information can be found in section 5 of the competition guidance document – which should be read before answering this question.

### Responses to this question will be assessed separately to the main application to SHDF Wave 2.1

<p><b>5.1)</b></p> <p><i>Optional question: assessed separately to the rest</i></p>	<p><b>Please complete table 16.</b></p> <p><b>Below, please outline how:</b></p> <ul style="list-style-type: none"> <li>• <b>You wish to incorporate aspects of the digitalisation of retrofit within your project, including specific technologies or suppliers and the long- and short-term benefits this will provide to your SHDF Wave 2.1 project.</b></li> </ul>
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<i>of your application</i>	<ul style="list-style-type: none"> <li>• <b>This aligns with your existing digitalisation strategy, and makes further progress towards ‘end-to-end’ digitalisation of retrofit (such as digitalisation throughout retrofit projects, streamlining of processes).</b></li> <li>• <b>This will allow for future delivery at scale – both in terms of how you envision it influencing your future retrofit strategy, and in terms of how it will benefit the wider social housing/retrofit sector.</b></li> </ul> <p><i>Further information can be found in the guidance, section 5.</i></p> <p><i>Single bidder word limit – 500, consortia bid word limit - 700</i></p>
	<p><b>Answer:</b></p> <p>N/A</p>

### Approval

#### Individual within lead applicant responsible for leading this project:

<b>Name</b>	
<b>Title and role</b>	
<b>Email</b>	
<b>Phone number</b>	
<b>Signature</b>	

#### Individual within lead applicant that approved this proposal for submission:

<b>Name</b>	
<b>Title and role</b>	
<b>Email</b>	
<b>Phone number</b>	
<b>Signature</b>	