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Y Grŵp Addysg a Gwasanaethau Cyhoeddus  
Education and Public Services Group

# **Social Housing Grant (SHG)**

## **Guidance for Registered Social Landlords and Local Authorities**

September 2019

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## Introduction

The purpose of this document is to provide guidance to Registered Social Landlords (RSLs) and Local Authorities (Local Authorities) on the procedures for the management of Social Housing Grant (SHG), which is the main source of Welsh Government funding for affordable housing in Wales.

The Guidance provides an overview of the process in the main body of the text with the detail covered in a series of appendices and seeks to explain:

- How the SHG programme operates and its relationship with the Programme Delivery Plans (PDPs) managed by Local Authorities.
- The scheme approval process, which focusses on reviewing scheme design and compliance with Welsh Government design standards at an early stage to drive up the quality of publically funded homes. The Concept and Pre-Planning Review stages are intended to reduce the risk of delays to the scheme approval process in the latter stages and intended to create a platform for good practice.
- The payment process, which focusses on self-certification with only essential information submitted electronically to Welsh Government.
- A Post Completion Review stage where Value for Money (VfM), procurement and the final design of the completed project are reviewed.
- The links with other associated grants that support the development of new affordable housing, e.g. the Innovative Housing Programme (IHP), Rent to Own/Shared Ownership (RTO/SO).

This guidance should be read in conjunction with the:

- Social Housing Grant Programme Management Guide, which provides information on programme planning, prioritising development schemes, selection of partners, PDPs, monitoring and managing slippage.
- Guidance on completion of PDPs which provides detailed information on how to complete the PDP spreadsheet.

As changes take place, they will feature as addendums to the guidance for ease of identification. The Guidance document will be updated regularly.

## **Part 1 — SHG Programme**

### **Overview**

SHG is the main capital grant provided by Welsh Government for the provision of affordable housing. It is used to fund housing schemes that meet local housing need and priorities as identified by Local Authorities in Wales. Local Authorities are responsible for choosing their Housing Association partners, who are paid SHG to develop, own and manage the affordable housing.

Between 2017-18 and 2019-20, Housing Finance Grant 2 (HFG2) is supporting the SHG programme to provide funding for affordable housing. HFG2 is allocated and used for the same general purposes but paid as an annual revenue stream to assist with the repayment of borrowings.

Schemes submitted for SHG approval must be included in the PDP main programme and may be:

- Social Rent, Intermediate Rent or in some instances Tenure Neutral;
- To meet a variety of needs including general needs, older persons, wheelchair adapted, supported housing, extra care, homebuy or mortgage rescue;
- New build, rehabilitation (or a combination) and existing dwellings/empty properties;
- A variety of procurement routes ranging from conventional tender, design and build and package deals to off the shelf projects.

All schemes are required to comply with Welsh Government Development Quality Requirements (DQR) and grant is paid at a fixed rate of 58% for Social Rent and 25% for Intermediate Rent.

### **Budget and Monitoring**

The SHG budget is an annual budget, which is allocated to Local Authorities based on the SHG formula (see Appendix 1). The SHG programme is planned over three financial years with Local Authorities given a final confirmed budget for the first year based on the allocation formula and indicative budgets for the following 2 years. These are provided for planning purposes to enable Local Authorities to plan the delivery of their strategic housing priorities via their PDP.

Funding cannot be carried forward into future years, therefore Local Authorities are expected to monitor delivery of their programmes, prudently over programme in line with Welsh Government limits and maintain a reserve programme to ensure full spend.

Welsh Government will monitor the programme at an all-Wales level to ensure programme delivery and also distribute any additional funding that is made available during the financial year.

## **Programme Development Plans (PDPs)**

Local Authorities are required to submit PDPs on a quarterly basis in line with the relevant guidance. The PDPs are an essential monitoring tool for Local Authorities, RSLs and Welsh Government providing key information on the timescales for delivering Local Authority strategic priorities.

PDPs will be monitored closely to ensure programme delivery with particular focus on Local Authorities achieving a smooth spend profile to avoid back-loading of the programme.

Those Local Authority areas which have achieved a smooth spend profile will be prioritised for additional funding at year-end. RSLs should assist Local Authorities by ensuring grant applications are submitted before/during the quarter stated on the Local Authorities PDP.

### **Programme Development Plan (PDP) Timeline**

PDPs are fluid documents which require regular updating. RSLs must provide Local Authorities with timely and accurate information to ensure Local Authorities can submit their PDPs to Welsh Government by the required due date. Welsh Government will notify Local Authorities in advance of the specific dates, but as a general guideline the following timescales apply:

<b>PDP</b>	<b>Deadline</b>
Quarter 1	Mid May
Quarter 2	Mid August
Quarter 3	Mid November
Quarter 4	Early February

### **Links with Other Programmes**

Where schemes are jointly funded by other Programmes e.g. Innovative Housing Programme (IHP), Rent to Own/shared Ownership (RTO/SO) or the Integrated Care Fund (ICF), RSLs should make this clear in all submissions and applications. Local Authorities should also reflect jointly funded schemes in their PDP. Each programme has its own specific guidance and this guidance only applies to the SHG/HFG2 funded aspect. To avoid any confusion, RSLs are asked to discuss jointly funded schemes with Welsh Government to ensure all submissions, applications and grant claims meet Welsh Government requirements.

## **Part 2 – Scheme Delivery**

### **Overview**

The scheme delivery process applies to all SHG & HFG funded affordable housing schemes included in Local Authority PDPs. It covers technical scrutiny, including scheme design and post completion review, and scheme approval and grant payment. While each process is separate, they are inextricably linked.

The scheme delivery process focusses on:

- Early design review and “sign off” prior to detail planning approval.
- Streamlined grant approval and payment processes.
- Continual VfM consideration by RSL partners.

For ease of reference, Part 2 of this guidance is split into two separate sections – Technical Scrutiny and Scheme Approval/Grant Payment with a brief outline summary of each section provided below.

### **Technical Scrutiny**

Technical scrutiny of homes funded by SHG & HFG focuses on providing design review and advice early in the design process, before proposals are finalised and submitted for planning approval. This approach is intended to drive up the quality of publically funded affordable housing schemes and by early engagement speed up the approval process for schemes.

Welsh Government requires all RSLs to ensure they consider VfM when developing schemes. There will therefore be no detailed VfM scrutiny until the Post Completion Review stage.

This section outlines the stages RSLs must follow to receive approval from Welsh Government for its scheme design proposals. It outlines the purpose of each stage and confirms the information RSLs are required to submit.

There is an expectation that all schemes will be submitted for both a Concept and Pre Planning stage approval unless decided otherwise by Welsh Government. All schemes as a minimum will have received a Pre Planning stage approval. This is to ensure that Welsh Government is satisfied that the design is acceptable and meets DQR.

This section also explains the requirements for Post Completion Review, confirms the approach RSLs should take to VfM and how to monitor and record VfM consideration for each project.

### **Scheme Approval and Grant Payment**

This section explains the stages RSLs must follow to receive scheme approval from Welsh Government and how to claim grant. It explains the purpose of each stage and confirms the information RSLs are required to submit for acquisition and construction grant.

Acquisition approval and payment of acquisition grant can take place either before, during or after the Concept and Pre Planning stages subject to the scheme being allocated for residential development by the local planning authority and being in the Main Programme of the PDP.

Construction approval and subsequent payment of construction grant can only take place following a Pre Planning stage approval.

## **Roles and Responsibilities**

The Housing Funding team and the Housing Quality Standards team jointly carry out the administration of the SHG programme.

The Housing Quality Standards team is responsible for:

- Undertaking Concept and Pre Planning reviews of all schemes.
- Liaising with RSLs to ensure design comments are taken into account.
- Liaising with the Housing Funding team to ensure no Construction stage applications are processed before design sign off (Pre Planning) has been achieved.
- Undertaking Post Completion Reviews.
- Reviewing Post Completion Review reports.

The Housing Funding team is responsible for:

- Reviewing PDPs and liaising with Local Authorities.
- Liaising with the Housing Quality Standards team to understand the technical scrutiny status of schemes.
- Checking and processing scheme approval applications and grant claims.
- Issuing scheme approvals and paying grant.
- Liaising with RSLs where applications are incomplete or appear incorrect.
- Undertaking spot checks of documentation held on the review files.
- Monitoring PDPs and applications to ensure all grant is paid when due.
- Monitoring scheme completions to ensure Post Completion Review reports are received.

All technical scrutiny submissions, scheme approval applications and grant claims should be sent electronically to the joint Mailbox:

- SHGSchemeDelivery@gov.wales
- CyflawniCynllunGTC@llyw.cymru

RSLs are asked to clearly state the name of the scheme in the title of the e-mail and the type of correspondence e.g. "Housing Close – Concept stage", "Housing Close – Construction application", "Housing Close – Combined Acquisition and Grant claim".

## Technical Scrutiny Stages

The process comprises three stages – Concept, Pre Planning and Post Completion Review.

### **Concept**

All schemes in the PDP are to be submitted by the RSL for review by Welsh Government early in the design process. However, some small projects (subject to Welsh Government decision) may not be required to undertake Concept stage and may proceed to the Pre Planning stage. This stage will provide an opportunity to give some background/history of the scheme and in conjunction with the designers, outline the concept and design vision before it has progressed to detail design (RIBA work stage 2/3).

It will include an explanation of how the external spaces are designed, how the new homes relate to their surroundings and how the quality agenda is being addressed by providing a statement confirming how the proposals represent good design in response to the Strengths, Weaknesses, Opportunities and Threats (SWOT) of the site. The design team should pay particular reference to the Welsh Government publication *Site & Context Analysis Guide: Capturing the value of a site*.

<https://gov.wales/sites/default/files/publications/2018-09/site-context-analysis-guide.pdf>

In order to understand better how the cost profile has evolved a record of headline costs (estimated) and a record of any factors that may impact on cost e.g. poor ground conditions, planning requirements etc must be recorded at each stage on the Data Sheets provided. However, it remains the responsibility of the RSL to ensure that all schemes represent VfM. It will also be a chance to discuss any potential Welsh Government design standards issues.

At Concept stage you are required to:

- Submit a completed Technical Review Submission Form (Part 1) - see Appendix 2 (Part 1) and Appendix 3 (Explanatory Guidance).
- Submit the required supporting documentation - see Appendix 4.
- Open and start populating a Post Completion Review File - see Appendix 5.
- Attend Concept stage meeting (if required to do so by Welsh Government).

Following the review Welsh Government will complete the Technical Review Feedback Form (Part 2), providing the following:

- Good practice feedback on the designs and layouts.
- Comfort that the scheme meets DQR.
- Official confirmation that the scheme can proceed to Pre Planning stage.

Note: RSLs have the option to apply for Acquisition approval from the Housing Funding Team before, during or after the Concept stage depending on the individual circumstances of the land/property sale (see table on page 15).



## **Pre Planning**

All schemes in the PDP are to be submitted by the RSL for review to Welsh Government for review at or before the planning authority's Pre Application Consultation (PAC) stage, prior to submission to the Local Authority for planning approval.

At Pre Planning stage you are required to:

- Provide an updated Technical Review Submission Form (Part 1) see Appendix 2 (Part 1) and Appendix 3 (Explanatory Guidance).
- Submit the required supporting documentation - see Appendix 4.
- Continue to update and populate the Post Completion Review File - see Appendix 5.
- Attend Pre Planning stage meeting (if required to do so by Welsh Government).

This will provide an opportunity to explain how the scheme has changed/developed from the Concept stage and how the vision has been translated into a completed design. If applicable any planning issues/constraints on design/conditions following the PAC meeting with the Local Authority can be highlighted.

Following the review Welsh Government will complete the Technical Review Feedback Form (Part 2), providing the following:

- Confirmation that the scheme meets the published DQR.
- Confirmation that the scheme can progress to Construction stage. This will remove the risk of potentially expensive amendments/delays/abortive work from changes required to the design if the review was carried out post planning.

### **Notes:**

- Following Pre Planning approval RSLs can submit a Construction stage application for scheme approval from the Housing Funding team.
- If after Welsh Government has given approval to progress to Construction stage there are significant changes to the design, the Pre Planning stage must be repeated before proceeding.
- Where Package Deals are submitted as 'Collaborative' the normal Technical Scrutiny process will apply. RSLs will be required to submit at Concept stage and Pre Planning stage and the relevant consultants attend meetings as appropriate.
- Where Package Deals are submitted as completed schemes (i.e. where the RSL has had no input during the design development process) a "once only" review will be required covering the Concept and Pre Planning stages. Consultants appointed by the Package Deal Developer will be expected to provide supporting information and attend meetings with Welsh Government as necessary. In this case there is an enhanced risk that the scheme may not be acceptable and not approved by Welsh Government without amendment.

- Schemes submitted as Existing Dwellings, Off The Shelf, Empty Properties, or Mortgage Rescue will be subject to a once only review which must be completed and receive Welsh Government confirmation of acceptance before applying for Acquisition Grant Payment

For ease of reference the table below describes the Technical Scrutiny process and highlights the applicable stages for the different scheme types and procurement routes.

Scheme/Procurement Type	Concept	Pre Planning	Post Completion Review
<ul style="list-style-type: none"> <li>• New build/Rehab</li> <li>• Design &amp; Build</li> <li>• Conventional Tender</li> <li>• Collaborative Package Deal (&amp; any form of Negotiation relating to the above)</li> </ul>	✓	✓	✓
<ul style="list-style-type: none"> <li>• Existing Dwelling/Empty Property</li> <li>• Mortgage Rescue</li> </ul>	Combined		✓
<ul style="list-style-type: none"> <li>• Package Deal</li> </ul>	Combined		✓
<ul style="list-style-type: none"> <li>• Off the Shelf</li> </ul>	Combined		✓

### ***Post Completion Review***

All RSLs in receipt of SHG/HFG2 will be subject to a Post Completion Review. All projects over a Scheme Cost Index (SCI) of 110% and a random selection of other projects, irrespective of SCI, will be reviewed.

The review will look at 2 areas;

1. Value for money, procurement strategy, appointment of consultants etc.
2. Comparison with the approved scheme and approved grant funding including checking compliance with DQR.

Part 1 of the review will be procured by the Registered Social Landlord (RSL) from approved reviewers. The review findings will be sent direct to Welsh Government.

Part 2 will be carried out by the Welsh Government technical team. A Review File must be compiled for every scheme holding the information referred to in Appendix 5.

## **SHG Scheme Grant Approval and Payment Stages**

SHG scheme grant approval and payment of grant is split into two parts:

- Acquisition (Approval and Payment)
- Construction (Approval and Payment)

All schemes require Acquisition and Construction approval from the Housing Funding team. Approvals can be applied for separately or simultaneously depending on the individual circumstances of the scheme.

### ***Acquisition Approval***

An Acquisition application for scheme approval can be made before, during or after the Technical Scrutiny Concept and Pre Planning stages have been completed. Technical Scrutiny sign off is not required in order to receive Acquisition grant approval or Construction grant payment. However, if submitting before the Concept stage or if the scheme is being submitted for Pre Planning stage only, an explanation will need to be provided. Welsh Government reserves the right to withhold an Acquisition approval if it considers a technical scrutiny submission or meeting is appropriate.

The purpose of the Acquisition application is to seek approval for grant funding for the acquisition of the scheme land or property and to advise Welsh Government of the key scheme details which include:

- Purchase price of the land or property.
- Estimated construction cost.
- Estimated number and type of homes to be built/purchased including tenure and specific need.
- Amount of grant to be claimed.

In order to receive Acquisition approval the scheme must be included in the PDP. The scheme should be included in the main programme with funding allocated in full or in part in the current calendar year. For land purchases, the scheme must be allocated for residential development by the local planning authority.

For Acquisition approval you are required to submit:

- Fully completed Application for Social Housing Grant (SHG) form – See Appendix 6.
- Valuation report (electronic copy). If the land or property is being purchased from a public body or has a valuation in excess of £350,000, the District Valuer should be used in all cases.

The Housing Funding team will record the application and check the following information:

- The scheme features in the PDP and the number of homes to be provided and amount of grant to be claimed corresponds with the PDP.

- Whether Concept or Pre Planning stage has been approved and if so, the scheme details and information corresponds.
- The application for SHG form has been fully and accurately completed e.g. ensuring the correct Acceptable Cost Guidance (ACG) figures have been used.

The Housing Funding team will issue an Acquisition approval which confirms the scheme details and the amount of grant to be paid. Acquisition grant will be based on the lower of the purchase price or current valuation.

### ***Acquisition Grant Payment***

Following Acquisition approval RSLs can submit for Acquisition grant. Applications should be submitted electronically and not in hard copy. We do not require original signed documents to be submitted but these should be retained on the Post Completion Review file.

To claim Acquisition grant, you are required to submit the following information:

- A fully completed Social Housing Grant claim form for Acquisition Stage – see Appendix 7
- An updated valuation report or letter if the valuation is not in date at exchange of contract.
- Scanned copy of the Solicitors Certification of Title.

Acquisition grant will be paid by Welsh Government subject to the grant claim complying with the following requirements:

- The scheme is in the PDP and Acquisition approval has been issued by Welsh Government.
- Where land is being purchased, the scheme must be allocated for residential development by the local planning authority.
- The Solicitors Certification of Title is in the standard format – See Appendix 8. Scanned copies which are not on headed paper, are unsigned, do not contain an exchange or completion date are not acceptable.
- An authorised signatory must sign all relevant documents. By signing the Acquisition grant claim the signatory is confirming that all relevant original documentation is held and will be retained by the RSL.

Acquisition grant will be paid in the quarter specified on the PDP, to the value specified and only if the date of exchange has been reached.

### ***Construction Approval***

A Construction application for scheme approval can only be made after Pre Planning approval has been received and the scheme has been procured. The construction costs stated in the application will be the sum certified in the consultant's cost report excluding any non-qualifying costs (see Appendix 13).

Construction applications submitted for approval prior to receipt of Pre Planning feedback will not be processed.

The purpose of the Construction application is to seek approval for grant funding for the construction costs of the scheme and to advise Welsh Government of the key scheme details which include:

- Construction costs for the scheme.
- Number and type of homes to be built/purchased and specific need.
- Scheme tenure and applicable grant percentage.
- Amount of grant to be claimed.

In order to receive Construction stage approval the scheme must be included in the PDP. The scheme should be included in the Main Programme with funding allocated in full or in part in the current calendar year.

For Construction approval you are required to:

- Submit a fully completed Application for Social Housing Grant - see Appendix 6
- SGEI over-compensation Proforma as SHG funding is granted under a Service of General Economic Interest (SGEI) exemption – see Appendix 9.

The Housing Funding team will record the application and check the following information:

- The scheme features in the PDP and the number of homes to be provided and amount of grant to be claimed corresponds with the PDP.
- Pre Planning review feedback has been issued under the technical scrutiny process and the scheme details and information corresponds.
- The Application for SHG form has been fully and accurately completed e.g. ensuring the correct ACG figures have been used.

Welsh Government will not be assessing VfM at this stage as this is part of the Post Completion Review. RSLs are reminded that they are responsible for ensuring VfM and should take account of Welsh Government ACG figures when assessing scheme costs. Decisions on cost and any movement in costs should be clearly documented in the Post Completion Review file.

As a rule, for general needs schemes which include land/property and construction costs, Welsh Government will only approve grant based on eligible costs up to 120% of ACG.

For schemes where there is no land or property acquisition Welsh Government will expect the Scheme Cost Index (SCI) to be significantly lower and proportional to national land value variations and will only approve grant based on eligible costs up to 115% of ACG

For Package Deal schemes Welsh Government will only approve grant based on eligible costs up to 110% of ACG.

In very exceptional circumstances Welsh Government may consider funding at a higher level, but this is not guaranteed and detailed justification will need to be provided.

In all cases the justification for schemes with a high SCI must be included in the Post Completion review file.

The Welsh Government will issue a Construction Approval confirming the scheme details and the total scheme grant to be paid.

### ***Construction Grant payment***

Following Construction approval, RSLs can submit for construction grant. Applications should be submitted electronically and not in hard copy. We do not require original signed documents to be submitted but these should be retained on file for future review.

To claim Construction grant you are required to submit the following information:

- A fully completed Social Housing Grant Claim form for Construction Stage– see Appendix 10.

Construction grant will be paid by Welsh Government subject to the grant claim complying with the following requirements:

- The scheme must be included in the Main Programme of the PDP and Construction approval has been issued by Welsh Government.
- Grant will only be paid if detailed planning permission has been received for the scheme submitted. The reference number for the planning decision must be included on the grant claim form. A resolution to approve subject to the signing of a S106 or other conditions is not acceptable.
- Schemes must also have received “Sustainable Drainage Authorising Body” (SAB) approval where applicable. A copy of the approval must be attached to the Construction claim.
- An authorised signatory must sign all relevant documents. By signing the Construction grant claim the signatory is confirming that all relevant original documentation is held and will be retained by the RSL.

Construction grant will be paid in the quarter specified on the PDP and to the value specified.

All original documentation must be retained on the review file. Please note that although we do not require copies of supporting documentation to be provided with grant applications we will undertake sample spot checks to ensure relevant documentation is being retained.

### ***Application Timescales***

All Acquisition and Construction applications for scheme approval and grant claims can be made during the year in line with the PDP timescales. For scheme approvals and grant payments which fall in the final quarter of the financial year the following timescales apply:

<b>Application</b>	<b>Deadline</b>
Acquisition and Construction application	31 January or last working day of the month if the 31st falls on a weekend
Grant claims	28 February or last working day of the month if the 28th falls on a weekend

Failure to meet these deadlines could mean that your application/claim will not be reviewed or paid and funding will be moved to another scheme.

For ease of reference the table below describes the Scheme Approval and grant payment process and highlights the applicable stages for the different scheme types and procurement routes.

<b>Scheme/Procurement Type</b>	<b>Application for Acquisition approval</b>	<b>Application for Construction approval</b>	<b>Application for Combined Acquisition and Construction</b>
<ul style="list-style-type: none"> <li>• New build/Rehab</li> <li>• Design &amp; Build</li> <li>• Conventional Tender</li> <li>• Collaborative Package Deal (&amp; any form of Negotiation relating to the above)</li> </ul>	✓	✓ Submit <u>only</u> if Pre Planning feedback has confirmed scheme can proceed	✓ Submit <u>only</u> if Pre Planning feedback has confirmed scheme can proceed
<i>Payment of Grant</i>	<i>Acquisition grant can only be paid after issue of Acquisition Approval</i>	<i>Construction grant can only be paid after issue of Construction Approval</i>	<i>Acquisition and Construction grant can only be paid after issue of combined Acquisition and Construction approval</i>
<ul style="list-style-type: none"> <li>• Existing Dwelling/Empty Property Mortgage Rescue</li> </ul>			✓ Submit <u>only</u> if Pre Planning feedback has confirmed scheme can proceed
<ul style="list-style-type: none"> <li>• Package Deal</li> </ul>			✓ Submit <u>only</u> if Pre Planning feedback has confirmed scheme can proceed

<ul style="list-style-type: none"> <li>• Off the Shelf</li> </ul>			<p style="text-align: right;">✓</p> <p>Submit <u>only</u> if Pre Planning feedback has confirmed scheme can proceed</p>
<p><i>Payment of Grant</i></p>		<p><i>Acquisition and Construction grant can only be paid after issue of a combined Acquisition and Construction approval</i></p>	

### **Legal Charges**

At Acquisition stage a legal charge in favour of Welsh Government must be placed on the property purchased. If the property is already owned by the RSL, the legal charge in favour of Welsh Government must be placed on the property at Construction stage.

No grant payments will be made until confirmation is received via the grant certifications that appropriate charges are in place.

When the completed homes are required as securitisation for borrowing, a deed of postponement should be requested, making the Welsh Government charge a second charge.

### **Homebuy**

Homebuy applications do not require technical review and are therefore exempt from the Concept and Pre Planning stages. All relevant documentation should be recorded in the Post Completion Review file.

A revised Homebuy application form is at Appendix 14 which should be submitted electronically together with an independent valuation report.

### **Communications and Branding**

Welsh Government support on all publicity, press releases and marketing material produced in relation to the scheme, as well as on site during development must be acknowledged.

Such acknowledgement must be in a form approved by Welsh Government and must comply with the Welsh Government's [branding](#) guidelines.

### **Procurement**

RSLs should ensure the procurement of both specialist design services and appropriate delivery agents are undertaken in line with the organisation's standard procurement policies and procedures.

For RSL contracts over the OJEU thresholds need to comply with European Procurement Directives. Procurement should also be aligned with the Wales Procurement Policy Statement.



The use of existing framework agreements is acceptable provided they were awarded appropriately and are OJEU compliant.

## Appendix 1 — Local Authority Main Programme Share

Local Authorities Main Programme formula share	%
Blaenau Gwent	2.4
Bridgend	4.4
Caerphilly	5.5
Cardiff	12.1
Carmarthenshire	5.7
Ceredigion	2.5
Conwy	3.7
Denbighshire	3.1
Flintshire	4.5
Gwynedd	4.1
Isle of Anglesey	2.7
Merthyr Tydfil	1.9
Monmouthshire	3.3
Neath Port Talbot	4.3
Newport	5.4
Pembrokeshire	4.4
Powys	4.6
Rhondda Cynon Taf	6.7
Swansea	7.9
Torfaen	4.0
Vale of Glamorgan	3.2
Wrexham	3.9

## Appendix 2 (Part 1) — Technical Review Submission Form

### FOR COMPLETION BY RSLs

This form is split in to two parts: Part 1 is to be completed by the RSL and Part 2 is the feedback provided by the Welsh Government.

Please read the accompanying Explanatory Guidance (Appendix 3 before completing and refer to Appendix 4 for supporting documentation)

### Scheme Details

<b>Applicable Stage</b>	Concept		
	Pre Planning		
	Combined Concept and Pre Planning		
<b>RSL</b>			
<b>Scheme Name</b>			
<b>Scheme Address</b>			
<b>Welsh Government Reference</b>			
<b>Postcode</b>			
<b>PDP Status</b>	Main		
	Reserve		
	Potential		
<b>Tender Type</b>			
<b>Procurement Route</b>			
<b>Modern Methods of Construction</b>	Has MMC been considered	Yes	No
	Has OSM been considered	Yes	No
<b>Concept Meeting request</b>	Concept Meeting required by Welsh Government Yes No		
<b>Reason (brief details)</b>			
<b>Documents Provided</b>			

This form has been completed by:

<b>Name/contact details</b>	
<b>Role within RSL</b>	
<b>Date</b>	

## Contact Details for Consultants (complete for each stage)

### *Concept*

Name	Organisation	Telephone	email
<b>Design Consultant</b>			
<b>Cost Consultant</b>			
<b>Other Consultants</b>			
<b>1.</b>			
<b>2.</b>			
<b>3.</b>			
<b>4.</b>			

### *Pre Planning*

Name	Organisation	Telephone	email
<b>Design Consultant</b>			
<b>Cost Consultant</b>			
<b>Other Consultants</b>			
<b>1.</b>			
<b>2.</b>			

<b>3.</b>			
<b>4.</b>			





## **Concept Stage**

### ***Project Introduction***

### ***Design concept and context analysis***

### ***Site Appraisal***

### ***Comment on Procurement***



***Comment on Cost***

## **Pre Planning Stage**

### ***Developments and Changes since Concept Stage***

### ***Planning Issues and Constraints***

### ***Update on Procurement***

### ***Update on Cost***

## Appendix 2 (Part 2) — Technical Review Feedback Form

### Concept Stage Feedback to RSLs

NB Scrutiny approval shall not be taken as a grant approval.

#### *Design and Concept*

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#### *Welsh Government Quality Standards Compliance*

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#### *Procurement*

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#### *Cost*

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Approved	Rejected	Not applicable
Date submitted to Welsh Government:		
Reviewed by		
Date reviewed:		
Tel:		
Email:		

## **Pre Planning Stage Feedback to RSLs**

NB Scrutiny approval shall not be taken as a grant approval.

### ***Design and Concept***

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### ***Welsh Government Quality Standards Compliance***

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### ***Procurement***

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### ***Cost***

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Approved		Rejected		
Date submitted to Welsh Government:				
Reviewed by				
Date reviewed:				
Tel:				
Email:				

## Appendix 3 — Explanatory Guidance

The following guidance will help you fill out the forms and provide a list of information required at each stage.

### Part 1

#### *Scheme details*

Application Boxes	Information Required
Stage	Choose as applicable Concept, Pre Planning or combined (the latter only acceptable with Welsh Government prior approval).
RSL	Insert name.
Scheme name and address	Insert the name of your scheme, address and postcode. The scheme name must match the name the scheme has within the PDP.
Welsh Government Scheme Reference	To be entered by Welsh Government.
PDP Status	Select the scheme's status within the current PDP: Main programme, reserve scheme, or potential scheme.
Tender Type	Choose and insert– competitively tendered/negotiated (includes package deal). Please note where negotiated or package deal comprehensive cost evaluation must be provided and retained on you Post Completion Review file. Update as required. <b>See Appendix 5 for list of information required for Post Completion Review file.</b>
Procurement route	Select the applicable procurement route. A definition of each procurement route is provided below:
	<u>Package deal</u> Where the site/property and the works are provided as a “package” by the developing contractor who also is given the total responsibility for the scheme design and specification.
	<u>Collaborative Package Deal</u> Where a site/property is offered as a package deal but the RSL partner has control over the design and engages consultants to provide a scheme design up to and including Stage 3 of the RIBA plan of work. The detailed design and specification will be the responsibility of the developer but must have the approval of the RSL.

	<p><b>Design &amp; Build</b> Where the total responsibility for the scheme design and specification is given to the tendering contractor and the site/property is acquired separately. The detailed design and specification must have the approval of the RSL.</p>
	<p><b><u>Collaborative Design &amp; Build</u></b> Where a site/property is acquired and consultants are engaged to provide a scheme design up to and including Stage 3 of the RIBA plan of work 2013, the detailed design and specification being the responsibility of the tendering contractor. The detailed design and specification will be the responsibility of the contractor but must have the approval of the RSL.</p>
	<p><b><u>Conventional Procurement</u></b> Where a site/property is acquired and responsibility for the design and specification is primarily that of consultants engaged by the applicant.</p>
MMC	Record if Modern Methods of Construction (MMC) or Off Site Manufacture (OSM) have been a consideration for the project
Meeting	Following receipt of the application Welsh Government will decide on the need for a meeting.
Reasons	Meetings will normally take place on larger schemes (11 or over), complex or schemes you may have specific concerns about noted here. The Consultant(s) should attend.
Documents Provided	List plans, illustrations provided for discussion at each stage. These will vary depending on how far the design development has progressed. <b>See Appendix 04 for submission information.</b>
Name/contact details	Insert name/details of responsible officer.
Role in RSL	Insert job title.
Date	Insert date submitted.

### **Contact details — consultants**

(Complete/update for each stage)

<b>Consultant</b>	<b>Contact Details</b>
Design Consultant	Add name and contact details (when appointed) (This should identify the Practice Name and the responsible person)

Cost Consultant	Add name and contact details (when known) (This should identify the Practice Name and the responsible person)
Other Consultant (s)	Add name (s) and contact details (when known) (This should identify the Practice Name (s) and the responsible person)

### ***Scheme data***

(Complete/update for each stage)

<b>Application Boxes</b>	<b>Information Required</b>
Persons and Bedrooms	Confirm number of persons/bedrooms If your homes are not covered request bespoke ACG from Welsh Government.
Type (need to review against Scheme 1)	Confirm whether home is a; F – Flat H – House B – Bungalow
Need (need to review against Scheme 1)	Confirm the need for the home; GN – General needs OP – Older persons EX – Extra care SH – Supported housing H – Homelessness
Tenure (need to review against Scheme 1)	Confirm the tenure; SR – Social rent IR – Intermediate rent TN – Tenure neutral
Works Type(need to review against Scheme 1)	Confirm the works type; NB – New build CU – Change of use ED -Existing Dwelling OFS – Off the shelf
Number of homes	Confirm per type
Net floor area (NFA)	Confirm for <b>each</b> home. <b>See appendix 11 for information on floor areas</b>
NFA totals	Total net floor area (from Scheme Data Form)

### ***Cost data***

(Complete/update for all Stages)

<b>Application Boxes</b>	<b>Information Required</b>
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Works (£)	Insert estimated/actual cost as appropriate
Cost m <sup>2</sup>	Insert cost m <sup>2</sup>
Abnormals	Costs for acceptable abnormalities. <b>See Appendix 12 for details on abnormal costs/factors affecting costs.</b>
Works cost — abnormalities	Insert cost
Cost m <sup>2</sup> — abnormalities	Insert cost m <sup>2</sup> (this is the base cost)
List of abnormalities	Insert list at each stage

### **Concept stage**

<b>Application Boxes</b>	<b>Information Required</b>
Project Introduction	Your opportunity to outline the background / history of the scheme , details of the client group, special circumstances and the written brief.
Design concept and context analysis	In conjunction with your designers give a description of the concept and design vision for the scheme and how the quality agenda is being addressed. The design team should pay particular reference to the Welsh Government publication <i>Site &amp; Context Analysis Guide: Capturing the value of a site.</i>  <a href="https://gov.wales/sites/default/files/publications/2018-09/site-context-analysis-guide.pdf">https://gov.wales/sites/default/files/publications/2018-09/site-context-analysis-guide.pdf</a>  If there any potential Welsh Government Quality Standards compliance issues provide details.
Site appraisal	Explain how the external spaces are designed (by reference to the above Welsh Government guidance) and how they relate to the homes and the surrounding environment. Put the site in context, and show how the buildings are orientated, potential for passive solar gain, SUDS etc.

### **RSL comments on procurement**

<b>Application Boxes</b>	<b>Information Required</b>
	Add any information related to the procurement route and keep a record of any comments on your Post Completion Review file.



### ***RSL comments on cost***

<b>Application Boxes</b>	<b>Information Required</b>
	Record any factors that may impact on the cost, for example poor ground conditions or planning requirements, and keep a record of any comments on your Post Completion Review file.

### ***Pre-planning stage***

<b>Application Boxes</b>	<b>Information Required</b>
Developments or changes since Concept Stage	Outline how the scheme has developed since the Concept stage, how your vision has been translated into a completed design and any changes you have made.
Planning issues and constraints	If applicable outline any planning issues, constraints on design or planning conditions following the pre application meeting with the Local Authority.

### ***RSL update on procurement***

<b>Application Boxes</b>	<b>Information Required</b>
	Update any information related to the procurement route and keep a record of any comments on your Post Completion Review file.

### ***RSL update on cost***

<b>Application Boxes</b>	<b>Information Required</b>
	Update any factors that may impact on the cost, for example poor ground conditions or planning requirements, and keep a record of any comments on your Post Completion Review file.

## **PART 2 — Welsh Government Feedback on Design**

### ***Concept***

<b>Application Boxes</b>	<b>Information Required</b>
Welsh Government feedback on design and concept	Welsh Government will provide good practice advice and comment on quality issue.

Welsh Government feedback on Welsh Government Quality Standards compliance.	Welsh Government will comment on Welsh Government Quality Standards compliance issues if relevant
Welsh Government feedback on Procurement	Welsh Government will provide comment/advice on anything previously referred to on the Scheme Detail Form.
Welsh Government feedback on cost.	Welsh Government will provide comment/advice on anything you referred to on the Scheme Detail Form.

### ***Pre Planning***

<b>Application Boxes</b>	<b>Information Required</b>
Welsh Government feedback on design	Welsh Government will provide good practice advice and comment on quality.
Welsh Government comment on Welsh Government Quality Standards compliance	Welsh Government will comment on compliance as necessary.
Welsh Government comment on Procurement update	Welsh Government will comment on developments since Concept stage
Welsh Government comment on cost update	Welsh Government will comment on cost as necessary.

## Appendix 4 — Documents to Accompany Submission

All documents to be submitted to Welsh Government electronically for retention plus 1 hard copy for scrutiny purposes.

Sketch plans illustrating the concept must be printed to nominated scale at the intended drawing size with scale bar and north point.

### Concept

Document	Notes
Brief history	
Statement about design vision	
Describe how the scheme addresses the quality agenda.	
Design brief	
Constraints diagram/statement indicating strengths weaknesses, opportunities and Threats (SWOT analysis)	*Items to consider as appropriate
Site photography, context and materials analysis	
Sketch layouts/illustrations as appropriate.	
structure and building survey reports (Existing buildings only)	Demonstrate building is suitable and economic.
Others	add additional documents to support claim as necessary

### \*Items to consider

- a. Accessibility and inclusivity
- b. Amenities
- c. Conservation
- d. Context
- e. Environment and noise
- f. Flood risk and drainage (SUDS)
- g. Flora and Fauna
- h. Ground conditions
- i. Highways
- j. Land Registry Title, ownership, rights of way and other legals
- k. Orientation and views
- l. Risk assessments and CDM
- m. Secured by Design

- n. Services
- o. Sustainability
- p. Topography

## Pre Planning

Document	Scale	Notes
Design Statement		
Town & Country Planning policy, consents or pre-application advice		As available
Site plan		Show site in regional context.
Site location plan	1:500	Show site in relation to surroundings.(buildings, roads etc)
Layout plan	1:200	Show homes in relation to gardens, parking, open space, steps/ramps bin storage etc. Indicate surface finishes and fencing etc.  Show sufficient levels to demonstrate Lifetime Homes (LTH) compliance.  Clearly indicate house types.
Landscape plan	1:200	Indicate landscaping proposals (planting schedule and hard landscaping)
Home layout plans	1:50	Demonstrate suitability of home for everyday living - include furniture layouts
Illustrations		
Elevations	1:100	Indicate finishes
Sections		
Schedule of Actual Floor areas of homes		
Other		add additional documents to support claim as necessary

## Appendix 5 — RSL Review File Information

### Value for Money

Information	Y, N/A	Comments
Copies of all Welsh Government correspondence, forms, grant applications etc		
Tender reports		
Report on negotiation		
Package deal rationale and Welsh Government approval		
Valuation report		
Cost analysis pro formas (Welsh Government supplied)		
List of abnormal/additional cost		
Cost estimates and updates (dated)		
Extra over costs of SUDs		
Explanation of cost movement – estimates to final (tender)		
Consultant appointment		
Contractor appointment		
Choice of Building contract		
Cost variations during contract		
Final costs		

## Design and Compliance

Information	Y, N/A	Comments
Copies of all Welsh Government correspondence, forms etc from pre planning and concept stages (as applicable).		
Planning application and supporting documents (including drawings)		
Planning Approval		
Building Regulations Approval		
Secured by Design Approval and Sign Off (date)		
Site start date		
Practical completion date		
Details of changes during construction and impact on design		
As built drawings including CDM Health and Safety information		
Date of Occupation (phases if applicable)		

## Grant Supporting Documentation

Information	Y, N/A	Comments
Copies of all Welsh Government correspondence, forms etc from scheme application and grant claims		
Original scheme application and grant claim forms with wet signature		
Original valuation report and updates where applicable		

Original solicitors certificate of title with wet signature		
Original Construction Contract		

## Appendix 8 — Standard Proforma for Solicitor's Certification of Title

Solicitor's letter headed paper

Solicitor's name and address

Solicitor's reference

RSL's name and address

Scheme address

Date of exchange

Contractual date of completion

We hereby certify that:-

1. the land/property on the plan referred to in the [District] Valuer's report is the same as that shown on the contract plan;
2. the price to be paid is within the sum endorsed by the [District] Valuer's formal report;
3. all legal constraints on the land/property have been identified in the [District] Valuer's report;
4. a) the freehold interest in the land/property is being acquired; YES/NO
4. b) a leasehold interest in the land/property is being acquired with an unexpired term of [ ] years and a ground rent of £[ ] per annum;
5. the land/property being acquired offers good title and is free of restrictions, easements, covenants, pre-emption clauses or any provision of the contract, draft lease or conveyance which might adversely affect the scheme;
6. a fixed legal charge of the land/property to the Welsh Government in the form currently required by the Welsh Government will be created on completion;
7. acquisition price £
8. solicitor's original signature, date



## Appendix 11 — Notional Floor Areas 2019

Home Designation	Home Type	Floor Area m <sup>2</sup>
7P4B	2 Storey House	114
6P4B	2 Storey House	110
5P3B	2 Storey House	94
4P3B	2 Storey House	88
4P2B	2 Storey House	83
3P2B	Bungalow	58
3P2B	Flat – Walk up	65
3P2B	Flat – Common access	58
2P1B	Flat – Walk up	51
2P1B	Flat – Common access	46
2P1B	Flat – Extracare	50
3P2B	Flat – Extracare	65

### Notes

- Notional (or Net) Floor Area is measured to the internal finished surfaces of main containing walls on each floor, including private staircases, internal partitions, flues and ducts; it excludes external dustbin enclosures or stores, any porch open to the air or enclosed.
- The measurement of floor area of common access flats excludes the area of the communal stairs and circulation space.
- The measurement of floor areas of individual ground floor external access flats includes the area occupied by the staircase and entrance hall necessary to gain access to the first floor flat. The areas of the ground floor and upper floor flats (walk-up) shall be averaged in order to make comparisons against the notional floor areas shown above.
- The floor area in rooms and storage space where the ceiling height is less than 1.50 m is excluded.

## Appendix 12 — Factors Affecting Cost

### Abnormals

#### Site Related Factors

- **Site Conditions**
  - Demolition/site clearance
  - Piled foundations
  - Deep foundations
  - Special foundations (specify)
  - Retaining walls
  - Cut and fill
  - Flood mitigation measures
  - Rock excavation
  - Mining activity (e.g. capping shafts, filling adits)
  - Knotweed clearance
  - Contamination (e.g. asbestos removal)
  
- **Infrastructure**
  - Building/relocating sub stations
  - Pumping stations
  - Diverting drainage/services/culverts
  - Water attenuation
  - Off-site works e.g. approach roads, additional parking, service/drainage connections
  - Sustainable Urban Drainage System (SUDS)
  - Building new/repairing boundary walls (usually in urban developments with adjoining buildings)
  
- **General**
  - Party wall work
  - Noise mitigation (sound proofing)
  - Ecological requirements
  - Site accessibility (where access or workspace is restricted)
  - Additional security (high risk areas, specific measures to be specified)
  - Costs resulting from added value measures
  
- **Others**
  - To be specified by consultant

#### Additional Factors

- **Planning Conditions**
  - Copy of conditions listed on Planning consent (e.g. materials, roof pitches, height etc) should be provided
  - Tree Preservation Orders
  
- **Planning Requirements**
  - Planning related design requirements e.g. use of balconies, preferences for finishes, design features (these should be listed and

evidenced by written exchanges between client/consultant and planning authority or notes made at meetings with LPA)

- In response to LPA Design Briefs (details must be specified)
  - Conditions attached to schemes requiring listed building consent
- **Design Requirements**
    - Site constraints (e.g. shape not allowing economic design solution, high roads/pavement ratio with homes) — these items should be listed and costed as extra over costs
  - **Exceptional Provision**
    - Usually required for specific reasons (e.g. grab rails, car ports, specialist baths)
    - Lifts (above 3 storeys or identified need)

### Notes

1. All costs should be presented as **extra over** costs.
2. Costs should include overheads and profit.
3. Where costs are subject to interpretation e.g. high ratio of roads/homes the rationale used to apportion cost should be set out.
4. Where identified during the initial site investigation abnormalities (with cost estimates) should be forwarded to the District Valuer so that they can be used in establishing market value.
5. At Concept and Pre-Planning stages, factors affecting costs should be estimated. For Construction Grant Approval (and in the Post-Completion Review) they will be actual costs.

## Appendix 13 — Non-qualifying Costs

<b>Procurement Route</b>	<b>Performance NHBC/Bond</b>	<b>Planning Fees</b>	<b>Building Regulations</b>	<b>Insurance</b>
<b>Conventional New build</b>	Works	On-cost	On-cost	On-cost
<b>Design &amp; Build</b>	Non-qualifying cost	Works	Works	On-cost
<b>Package Deal</b>	Non-qualifying cost	Works	Works	On-cost
<b>Collaborative Design &amp; Build</b>	Non-qualifying cost	On-cost	Works	On-cost
<b>Collaborative Package Deal</b>	Non-qualifying cost	On-cost	Works	On-cost