



The City & County of Swansea

**EFP1 PRE-SUBMISSION - Notification of Funding Bid to External Funding Panel**

Ref:

**THE EFP1 APPLIES TO HARD COPY AND ELECTRONIC SUBMISSIONS**

1. Scheme background and details - this is to inform the External Funding Panel of the intention to apply for a new grant proposal –

a. Awarding Body	Welsh Government
b. Name and purpose of Scheme/Programme (attach proposal brief in cabinet style report)	<p><b>Innovative Housing Programme --To support the delivery of 2000 new affordable homes in Wales.</b></p> <p>The Council is developing an affordable housing development programme as part of the More Homes Strategy.</p> <p>WG have introduced Affordable Housing Grant (AHG) for Local Authorities. Local Authorities have an allocation that is automatically awarded for 2 financial years - 18/19 and 19/20.</p> <p>The AHG is paid as revenue support against 58% of the borrowing costs over 29 years.</p> <p>The allocation for Swansea is £3,985m in 18/19 and £2,598m in 19/20 (paid as £208,000 and £138,000 pa over 29 years).</p> <p>In order to take up the allocation, a programme of schemes will be submitted in the Council's Programme Development Plan (PDP).</p> <p>Schemes under the More Homes Strategy will be submitted to the programme to increase the supply of affordable housing in Swansea.</p> <p>WG will approve schemes and ensure they achieve value for money.</p> <p>Welsh Government have also introduced a further round of Innovative Housing Programme Funding (IHP). IHP encourages innovation in design and energy, and is paid for the innovation costs only (over and above the build costs).</p> <p>The Council was awarded this funding for the Colliers Way passivhaus scheme in 17/18, and has already had panel approval to bid for a</p>

	<p>second scheme (Parc Yr Helyg) under IHP.</p> <p>It is now proposed that a further scheme is submitted under the IHP2 project. This scheme is Colliers Way Phase 2. The bid will be made under the City Deal Homes as Power Stations umbrella and will, if successful support the City Deal project and promote Swansea as a leader in low carbon construction.</p>
c. Grant value in Total £	<p><b>Affordable Housing Grant (AHG)</b> It is proposed that the full allocation should be approved. No bids will be required, but Welsh Government has a rigid scheme approval process. The allocation for Swansea is £3,985m in 18/19 and £2,598m in 19/20 (paid as £208,000 and £138,000 pa over 29 years).</p> <p><b>Innovative Housing Programme 2 (IHP2)</b> Welsh Government will pay up to 100% of the innovation costs for schemes. The colliers Way 2 scheme is still being progressed and the details are being finalised however the costs are likely to be in the region of 600K. If the grant is not awarded, the additional innovation can be excluded from the scheme.</p>
d. Grant period / timescale for delivery	18/19 and 19/20
e. CCS acting as Lead Body or Joint Sponsor? Name other Partners.	CCS Lead Body
f. Detail links to existing schemes at Local, Regional or National level	<p>To support the Welsh Government target of the delivery of 20,000 new affordable homes in Wales.</p> <p>To support the City Deal Homes as Power Stations Project.</p>
g. Detail direct links to Council Policy, including, where appropriate, target areas	<p>More Homes Strategy</p> <p>Local Housing Strategy</p> <p>Tackling Poverty</p>
h. List key target and proposed performance measures	Delivery of More Homes Strategy.

<p>i. <b>For EUROPEAN schemes</b> confirm that the scheme has been developed in conjunction with the European Unit – Yes /No (<i>delete</i>)</p>	<p>(attach email confirmation from the European Unit)</p>
<p>j. Does this grant require a continuation of funding by the Council after the grant period has expired? <i>This includes current or additional staff costs.</i> Yes / No</p>	<p>No</p>
<p>k. Does the application require match-funding? Yes/No if it does where is this coming from?</p>	<p><b>Innovative Housing Programme Funding (100% innovation top up).</b> No match funding required. Innovations can be removed from the scheme if the bid is unsuccessful. Exact costs are unknown but could be in the region of £600k.</p> <p><b>Affordable Housing Grant (AHG)</b> AHG is an annual revenue grant available over 2 financial years to support up to 58% of the borrowing costs of the scheme over 28 or 29 years. A budget has been created to cover the initial design and preliminary stages of the scheme. Completion of the scheme as a whole is however dependant on the HRA being awarded additional borrowing capacity by the Welsh Government.</p>
<p>l. Will the project entail the employment of additional staff and on what basis?</p>	<p>No</p>
<p>M. Have you completed an EIA (Equality Impact Assessment) Screening Form (please attach)?</p>	<p>Yes</p>
<p>N. Is a full EIA report required?</p>	<p>No</p>

2. Please complete the following financial information:

**Innovative Housing Programme Funding (100% innovation top up).**

No match funding required. Innovations can be removed from the scheme if the bid is unsuccessful. Exact costs are unknown but could be in the region of £600k.

	2018/19 £	2019/20 £	Year 3 £	Year 4 £	Year 5 £	Total £	Ongoing £
Total project cost:							
Capital –							
Revenue							
Grant applied for:							
Capital	600.000						
Revenue							
<b>Deficit</b>							

**Affordable Housing Grant (AHG)**

AHG was launched in May 2018 for Local Authorities. AHG is an annual revenue grant available over 2 financial years to support up to 58% of the borrowing costs of the scheme over 28 or 29 years. Swansea's allocation is below.

Year	Annual revenue payment/28 or 29 years	Capital equivalent @ 58%	Total Cost
18/19	£207,669	£3,984,853	£6,870,436
19/20	£138,446	£2,597,820	£4,479,000
	<b>Total</b>	<b>£6,582,673</b>	<b>£11,349,346</b>

3. Please complete the following:

a. Does the funding meet the Council's priorities?	Yes see EFP report (Evidence to be attached)
b. What are the expected outcomes and are they clear and achievable? (link to 1h)	Delivery of More Homes Strategy and contribution to the City Deal Homes as Power Stations Project.
c. Is there an exit plan? (link to 1j/l)	N/A
d. How is Value for Money being obtained? (procurement/ third party arrangements etc.)	Procurement exercise carried out for individual elements of scheme and CB&PS are main contractor. WG assess VFM as part of grant application.

e. What is the governance / management structure for the scheme? – What board/management team will it be reported to?	The projects will be overseen by the More Homes Officer/Member Steering Group with membership from The Cabinet Member for Homes and Energy and Director of Place.
f. What are the major risks and how will they be managed?	The projects will be directly funded by the HRA, however the opportunity to apply for additional grant to subsidise the scheme has arisen so there are no risks to funding the project.

#### 4. Authorisation

	Name / Signature	Date
Responsible Officer:	Carol Morgan	8.6.18
(Principal)/Accountant:		
External Funding Panel		
Endorsed /Not Endorsed		