

**AFFORDABLE HOMES PROGRAMME 2015-18**

**INVESTMENT PARTNER QUALIFICATION APPLICATION FORM**

**GUIDANCE**

## 1. **INTRODUCTION**

Organisations delivering programmes through the Affordable Homes Programme 2015-2018 (AHP 15-18) must be qualified as HCA Investment Partners.

This document sets out the arrangements for Investment Partner qualification under the AHP 15-18 and, for those organisations not already qualified as Investment Partners, guidance on how to submit an application.

## 2. **QUALIFICATION – AN OVERVIEW**

As outlined in the AHP 15-18 Prospectus, all organisations delivering programmes through the AHP 15-18 must be an HCA Investment Partner. Investment Partner status must be achieved before payment under a completed grant agreement can be made.

Assessment of applications for Investment Partner status considers an applicant's financial and technical capacity to undertake an agreed programme of new supply, and the organisation's good financial standing.

As confirmed in the AHP 15-18 Prospectus, unregistered providers must become a Registered Provider (RP), if intending to be the landlord of grant funded schemes. Please note that this is a separate process to that undertaken by the HCA in its role as The Regulator of registered providers of social housing.

Details on how to register as a RP are available on the Homes and Communities Agency's (HCA) website here:

<https://www.gov.uk/register-and-de-register-as-a-provider-of-social-housing>

The HCA acting through its Regulation Committee is the Regulator of Social Housing ("the Regulator"). The Regulator is responsible for registering and regulating providers of social housing. Any eligible provider of social housing can be registered with the Regulator and only registered providers are subject to regulation.

Providers seeking registration should start discussions with the Regulator's registration team at the earliest opportunity to understand the timescales and requirements for achieving RP status.

Applications can be submitted for consideration at any time and turnaround time is estimated at 8 weeks from receipt of a full application. Applicants are encouraged to complete their application for Investment Partner status at the same time as submitting bids for the Affordable Homes Programme 2015-2018.

Applications not linked with a bid to the Affordable Homes Programme 2015-2018 will be considered unsolicited.

Unsolicited applications are not encouraged and prospective partners should have secured an allocation, have submitted or be preparing a bid for the Affordable Homes Programme 2015-2018. Unsolicited applications will not be accepted and prospective partners must always contact their local HCA office in the first instance.

### **3. THE PROCESS: NEW PARTNERS**

Any provider may submit bids for delivery under the 2015-18 Affordable Homes Programme, but will have to achieve HCA Investment Partner status before payment under an agreed grant agreement contract can be made.

Organisations not already qualified as Investment Partners with the HCA will need to apply for Investment Partner status by submitting an Application. Organisations are encouraged to complete their Investment Partner Qualification Application form at the same time as submitting their bids. The Investment Partner Qualification Application form is available to download from:

<https://www.gov.uk/government/publications/affordable-homes-programme-2015-to-2018-qualification>

For detailed guidance on completing the application form please see section 5.

Organisations seeking to qualify for Investment Partner status should complete the application form, which consists of 4 sections:

- Section 1 Respondent organisation details
- Section 2 Statement of Good Standing
- Section 3: Financial and Commercial Standing
- Section 4: Managing Development

HCA seeks to ensure that its assessment processes are proportionate to the scale of funding sought to improve access to funding.

Applications for Investment Partner status may be as a single entity or a consortium of organisations, a Special Purpose Vehicle ("SPV"), (including Local Authority-led Special Purpose Vehicles) or a joint venture company ("JV") constituted as a single entity.

A "consortium" means a group of companies or separate legal entities identifiable at the point of application formally acting together for the purpose of bidding for grant under the Affordable Homes Programme 2015-18.

For consortium applications, a lead organisation must be identified and will be expected to be the point of contact for the HCA, to work closely with other consortium members throughout the grant agreement period to deliver the supply envisaged, and be responsible for collating and providing information from consortium members to the HCA on delivery of the various parameters included in the AHP 2015-18 agreement.

All applications will be acknowledged by receipt and turnaround time is estimated at 8 weeks from receipt of a full application.

### **4. THE PROCESS: EXISTING INVESTMENT PARTNERS**

Existing HCA Investment Partners are not required to submit a new qualification application.

Investment Partner performance is reviewed annually through the annual Continuous Qualification review and those already qualified as an HCA Investment Partner and meeting the required annual performance thresholds have been notified they remain Investment Partners for the new Affordable Homes Programme 2015-2018.

Existing HCA Investment Partners should notify the HCA of any changes to existing partnerships for the new Affordable Homes Programme 2015-2018, for example membership changes to consortia. New members may be identified both at bid stage, and during the programme period.

Partnership changes will be dealt with on a case by case basis and, depending on the nature of the change, may require submission of a new application for qualification.

Existing HCA Investment Partners wishing to make changes to their partnership should, in the first instance, contact their HCA Contract Manager.

## **5. GUIDANCE ON COMPLETING THE APPLICATION FORM**

### **5.1. General**

All applicants completing the Investment Partner Qualification Application Form should answer all questions as accurately and concisely as possible. Where a question is not relevant to the respondent organisation, this should be indicated, with an explanation.

Supporting information should be presented in the same order as, and should be referenced to, the relevant question.

For Section 3, where an applicant has already submitted information to the HCA or the Regulator, this information is not required again. The information will need to have been submitted in precisely the form specified and there should have been no changes since submission. Applicants should specify when they previously submitted information and to whom.

For Section 4, questions 4.5 (development experience), 4.6 (management experience) and 4.7 (risk management) will be scored. A minimum score of 11 points must be achieved for each question and minimum of 33 overall by an applicant in order to receive Investment Partner status.

The criteria used to evaluate an Investment Partner Qualification Application can be found in Annex 1.

The response may cover the applicant solely or for Consortium/SPV applications, the information may relate to the relevant participating organisation(s).

If a contractor/managing agent is to be appointed, the response should draw on their experience. If a contractor/developing agent is yet to be appointed and procurement is yet to be completed, Section 4 cannot be assessed at this stage.

All case studies should have been completed successfully (ie on time, within budget and without claims or latent defects).

Where certification/accreditation is being actively pursued and strong evidence points to the likelihood of it being gained in the near future, then it may be scored as gained.

The HCA reserves the right to request additional information in relation to an application for Investment Partner status.

By submitting an application for Investment Partner status, Registered Providers will be giving consent that relevant financial information provided to the Regulator may be shared on a confidential basis.

To complete the Investment Partner Qualification Application Form, respondent organisations will require software, which is compatible with Microsoft Word.

Respondent organisations must complete the electronic version of the application form and submit one complete copy of the application form and any supporting documents (including scanned letter(s) of good standing on letter headed paper and signed with a wet signature) by email to: [completed.pqqforms@hca.gsi.gov.uk](mailto:completed.pqqforms@hca.gsi.gov.uk).

Please ensure that all sections of the application form are completed and returned with your submission by email.

No unauthorised alteration or addition (save for the inclusion of the relevant information) should be made to the form. The completed application form must not be accompanied by any covering letter or any statement that could be construed as rendering the application form equivocal and/or placing it on a different footing from other application forms.

## **5.2. Applications from Bodies responding as single entities**

An organisation applying as a single entity must complete all of the sections (excluding Section 1.2) fully and provide all the necessary supplementary information requested.

## **5.3. Consortium Applications**

Any response on behalf of a consortium must be co-ordinated by a designated Consortium Leader.

In the case of consortium applications, “respondent organisation” means the Consortium Leader of a consortium application.

The Consortium Leader is responsible for:

- ensuring that the information supplied in the application form is accurate, to the best of its knowledge;
- completing all Sections of the application form;
- providing all the necessary supplementary information from participating organisations (where applicable) so as to enable the HCA to assess the overall proposal for the delivery of the proposed programme(s).

Please note that different questions require information from individual participating organisations, from all participating organisations or from the Consortium Leader only – this has been indicated, where relevant.

It should also be noted that the statement of good standing requested in Section 2 is required from ALL consortium members.

#### **5.4. SPV and JV Applications**

Any response on behalf of an SPV or JV must be co-ordinated by the principal SPV/JV shareholder or member (actual or designated).

In the case of SPV and JV applications, “respondent organisation” means the principal shareholder or the member who will take a lead in negotiations with the HCA on behalf of the SPV or JV.

The principal SPV/JV shareholder or member is responsible for:

- ensuring that the information supplied in the application form is accurate, to the best of its knowledge;
- completing all Sections of the application form;
- providing all the necessary supplementary information from participating organisations (where applicable) so as to enable the HCA to assess the overall proposal for the delivery of the proposed programme(s).

Please note that different questions require information from individual participating organisations, from all participating organisations or from the respondent organisation only – this has been indicated, where relevant.

It should also be noted that the statement of good standing requested in Section 2 is required from ALL members of an SPV or JV.

#### **5.5. Re-Evaluation**

In the event that there is:

- i) a change in the membership of a Consortium or SPV/JV from the date of submission of this application form to the award of any agreement between the Consortium/SPV/JV and the Homes and Communities Agency; and/or
- ii) a change in information supplied by a respondent organisation or any of the participating organisations at Sections 1 to 4 of the application form the HCA reserves the right to re-evaluate the application of the Consortium/SPV/JV on the basis of the new member/ shareholder or the new information and act in accordance with the results of such re-evaluation.

#### **5.6. Undertaking**

All respondent organisations should note that any false information included in any of the responses will result in exclusion from the subsequent stages of the Affordable Homes Programme 2015-2018.

The Agency has a bribery and corruption policy in place and, therein a zero tolerance approach. The web page with a summary description of all current HCA ethical policies (including the anti-bribery and corruption policy) is as follows:

<https://www.gov.uk/government/collections/ethical-policies>

All respondent organisations shall ensure that they do not and, where appropriate, all other participating organisations in the Consortium/SPV/JV do not:

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- give or offer any gift or consideration whatsoever as an inducement or reward to any servant of a public body. Any such action will entitle the Homes and Communities Agency to cancel any agreements concluded with the respondent organisation and will result in exclusion from the Affordable Homes Programme 2015-2018 and, at the HCA's discretion, any of its future funding programmes;
- communicate to any organisation other than the HCA or its own advisers (from whom they shall have secured all necessary guarantees of confidentiality beforehand) the details contained within this application form or within any subsequent submissions to the Homes and Communities Agency in connection with the detailed bidding process for the Affordable Homes Programme 2015-2018;
- enter into any arrangement or agreement with any other person the purpose or effect of which is that any party thereto shall:
  - refrain from submitting this application form or any documents relating to the detailed bidding process;
  - or shall limit, restrict, vary or adjust the content of this application form or any other document by reference to any other applicant or any other party's application or bid, nor
- directly canvass any member or official of the HCA concerning the acceptance of this application form or any other document nor obtain nor attempt to obtain any information from any such member or official concerning any other application, bid or submission made by any other party.

**5.7. Freedom of Information Act (2000)**

The Homes and Communities Agency is a public authority under the Freedom of Information Act 2000 (FOIA) and the Environmental Information Regulations 2004 (EIR).

As part of its duties under the FOIA/EIR, the HCA may disclose information to a person making a request unless the information is covered by an exemption under FOIA/EIR.

The HCA is required to determine whether the public interest in maintaining the exemption from disclosing it outweighs the public interest in disclosing it.

**6. Communications**

If you have a query regarding your Investment Partner Qualification Application form please email the [completed.pqqforms@hca.gsi.gov.uk](mailto:completed.pqqforms@hca.gsi.gov.uk) mailbox.

If the HCA considers any question or request for clarification to be of material significance, both the query and response will be included in the guidance.

**ANNEX 1 - Criteria used to evaluate Investment Partner Qualification Applications**

**Section 1 Respondent Organisation Information**

Applicants are asked to supply information on the applicant organisation and, for consortiums, the organisations involved in the application.

This section is not assessed and is for information purposes only.

**Section 2 Statement of Good Standing**

Applicants are asked to supply a Statement of Good Standing and information in respect of court action relating to housing / development issues; Leasehold Valuation Tribunal hearings; Investigations/prosecutions/civil actions for any Health and Safety offences and/or Housing Ombudsman determinations over the last 3 years and identify any ongoing or pending cases.

Information should be provided on the respondent organisation and all relevant participating organisations.

This section is assessed on a pass/fail/follow up query basis.

**Section 3 Financial and Commercial standing**

Applicants that are not Registered Providers (RPs) are asked to supply latest audited and management accounts as well as a business plan. Applications from unregistered bodies are assessed by the HCAs Business Appraisal Team.

Applications from RPs, do not require the submission of financial information for assessment and instead are referred to the Regulator to confirm financial viability for HCA Investment Partner purposes.

This section is assessed on a pass/fail/follow up query basis.

**Section 4 Managing Development**

Applicants are asked to supply details of the delivery arrangements including information about the developing organisation(s) involved in the delivery of the allocation.

This section is scored against the methodology detailed below. The total score is then assessed against a minimum score threshold on a pass/fail/follow up query basis.

**Question 4.5 (Development Experience)**

<b>Marks</b>	<b>Scoring Methodology</b>
0	No response provided.
1-5	Poor overall response. Little detail provided to demonstrate the capability of the developing organisation and no explanation of how experience gained to date will be used to deliver the proposed allocation. History and case-study examples either not provided or predominantly not relevant to



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<b>Marks</b>	<b>Scoring Methodology</b>
	the delivery of affordable housing or a comparable project. No certification/accreditation in place. No reference to how the proposed new development might positively address the published “Building for Life 12” criteria (where applicable).
6-10	Unclear, incomplete or inconsistent overall response. Little detail provided to demonstrate the capability of the developing organisation and weak explanation of how experience gained to date will be used to deliver the proposed allocation. History and case-study examples provided only partially support delivery of affordable housing or a comparable project. No industry standard or equivalent certification/accreditation in place. Little detail provided as to how the proposed new development might positively address the published “Building for Life 12” criteria (where applicable).
11-15	Generally good overall response with tangible detail provided of how experience gained will be used to deliver the allocation. History and case-study examples support and are relevant to delivery of affordable housing or a comparable project. Base industry standard or equivalent certification/accreditation in place. Response includes how the proposed new development might positively address the published “Building for Life 12” criteria (where applicable).
16-20	Excellent overall response that comprehensively demonstrates capability to deliver proposed allocation. History and case-study examples are thorough and detailed and strongly support and are relevant to delivery of affordable housing or a comparable project. To be scored as “evidence of being a market leader” the applicant would need to show evidence of achieving Base industry standard or equivalent certification/accreditation in place as well as a Quality Assurance and/or Quality Management System as applied to construction and property services, incorporating Safety, Quality and Environment in place. Comprehensive response as to how the proposed new development might positively address the published “Building for Life 12” criteria (where applicable).

**Question 4.6 (Management Experience)**

<b>Marks</b>	<b>Scoring Methodology</b>
0	No response provided.
1-5	Poor overall response. Little detail provided to demonstrate managerial arrangements are in place which will be used to deliver the proposed allocation. Little information about managerial staff involved, their roles

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<b>Marks</b>	<b>Scoring Methodology</b>
	and responsibilities and any contract management arrangements in place. No Quality Assurance and or Quality Management System in place, and is not in the process of establishing a Quality Assurance and or Quality Management System.
6-10	Unclear, incomplete or inconsistent overall response. Little detail provided to demonstrate managerial arrangements are in place which will be used to deliver the proposed allocation. Little information about managerial staff involved and their roles and responsibilities and contract management arrangements in place. No Quality Assurance and or Quality Management System in place, and is not in the process of establishing a Quality Assurance and or Quality Management System.
11-15	Generally good overall response with tangible detail provided to demonstrate managerial arrangements are in place which will be used to deliver the proposed allocation. Detailed information about managerial staff involved, roles and responsibilities and information on contract management arrangements in place. Quality Assurance and or Quality Management System in place.
16-20	Excellent overall response that comprehensively demonstrates managerial arrangements are in place which will be used to deliver the proposed allocation. Very detailed information about managerial staff involved and roles and responsibilities. Clear contract management arrangements in place. Quality Assurance and or Quality Management System in place.

**Question 4.7 (Risk Management)**

<b>Marks</b>	<b>Scoring Methodology</b>
0	No response provided.
1-5	Poor overall response. Little detail provided to demonstrate approach to risk management and monitoring, with no risk management strategy in place and is not in the process of establishing one. No detail provided on identified risks and actions to mitigate these for this allocation. History and case-study examples either not provided or predominantly not relevant to the management of risk for delivery of affordable housing allocation or a comparable project.
6-10	Unclear, incomplete or inconsistent overall response. Little detail provided to risk management and monitoring, with no risk management strategy in place and is not in the process of establishing one. Some detail provided on identified risks and actions to mitigate these for this allocation. History and case-study examples not relevant to the management of risk for

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<b>Marks</b>	<b>Scoring Methodology</b>
	delivery of affordable housing allocation or a comparable project.
11-15	Generally good overall response with tangible detail provided to demonstrate clear approach to risk management and monitoring. Risk management strategy is in place or in the process of being established. Detailed response provided on identified risks and actions how to mitigate these for this allocation. History and case-study examples support and are relevant to the management of risk for delivery of affordable housing allocation or a comparable project.
16-20	Excellent overall response that comprehensively demonstrates approach to risk management and monitoring. Risk management strategy in place. Comprehensive and detailed presentation of identified risks and actions to mitigate these for this allocation. History and case-study examples are relevant, detailed thoroughly and strongly support the management of risk for delivery of affordable housing allocation or a comparable project.