

# PROPOSAL TO SPEED UP 4 STAGE APPROVAL PROCESS

Capital Assistance Scheme  
Department of Housing,  
Planning and Local Government

# CAS background

- CAS Started in the mid 1980.s
- Some 17,000 units have been delivered under the scheme to date
- 427 units delivered in 2017
- €55m paid out by Department in 2017
- €88m available for 2018

# CAS background

- Only Approved Housing Bodies (AHBs) can get CAS funding. (Section 6 of the Housing Miscellaneous Provisions Act 2009)
- To qualify for approved status, AHBs must have certain primary objects e.g. relief of housing need etc.
- Categories covered by CAS funding are
  - Homeless
  - Elderly
  - People with a disability

# CAS background

- CAS funding is advanced to AHBs by LAs by way of a loan.
- The LA loan is protected by a 30 year mortgage and remains non repayable as long as scheme conditions are met.
- The funding available can be up to 100% of the approved cost of the scheme.
- The loan paid out by the LA is covered by a grant from the Department of Housing.

# CAS background

- AHB should discuss their proposal with the LA in the first instance to see if they have the support of the LA.
- The LA must be satisfied that there is a need for housing and that the proposed tenants qualify for social housing.

# Types of CAS Delivery

## Acquisition or Construction

- Acquisitions/Refurbishment (Delegated Sanction usually apply under certain cost guidelines issued by the Department)
- Adaptation costs must be realistic.
- If costs exceed guidelines Department approval is needed.

# Steps to deliver a CAS CONSTRUCTION project

## Construction

4 stage approval process applies



# Steps to deliver a CAS CONSTRUCTION project

## 4 stage approval process

### All Stages require LA & Department Approval

- **Stage 1.** Approval in principle.
- Capital appraisal & Project Review.  
AHB & LA prepare a capital Appraisal setting out the need for scheme, including any special needs, number of tenants and units, site location, estimated costs, sustainable community proofing, and LA submit to Dept. for approval.
- **Stage 2.** Pre-statutory approval.
- After getting Stage 1 approval, the AHB can procure a design team, draw up a design, provide updated costs. LA submit Stage 2 application to Department.

# Steps to deliver a CAS CONSTRUCTION project

## 4 stage approval process

- **Stage 3.** Pre- tender approval process.
- After getting Stage 2 approval and planning permission, the AHB design team updates costs and plans and submits for Dept. approval.
- **Stage 4.** Tender approval.
- After getting Stage 3 approval, the AHB can invite tenders. After assessment of tenders, the report on tenders with recommendation as to what contractor to appoint, is submitted to the Dept. for approval. Justification of any cost increases should be given.

# PROPOSAL TO SPEED UP 4 STAGE APPROVAL PROCESS

# Current situation

- Average CAS project takes some 115 weeks to get on site
- Some 2014 approvals still not on site
- Slippage: Roughly 50% per year

# Current situation

- CAS needs a sense of urgency
- Everyone (including Department) can do better

## LA SCHEMES Current situation

- LA housing - 59 week timeline introduced in January 2018 (Circular 2/2018)
- A collective target – everyone is involved
- Has given a sense of urgency to LA housing project development
- Dept. has had to up its game too

# Proposed CAS timeline

- 75 weeks total
- AHB -50                      Dept -17                      LA -8
- Clock starts after a fully complete stage 1 application is received – including a capital appraisal

# Proposed CAS timeline

- Parts of the 4 stage process can happen simultaneously
  - ❖ E.g. Planning process & Tender preparation
- 4 stage process - Each approval gives AHB certainty up to the next stage approval



**Stage 1 Proposal Assessed  
by DHPLG – 5 Weeks for  
Dept approval**

**Stage 2 - 17  
Weeks for AHB**

**Stage 2 - 2  
Weeks for LA**

**Stage 2 – Design & Planning ahead of PP  
Site Investigations, Appoint Consultants**

**Stage 2 Proposal Assessed  
by DHPLG - 4 Weeks**

**Stage 3 - 20  
Weeks for AHB**

**Stage 3 - 2 Weeks  
for LA**

**Planning Process; Review Design & Costs;  
Prepare Tender & Review post-PP**

**Stage 3 Proposal Assessed  
by DHPLG - 4 Weeks**

**Stage 4 - 2 Weeks  
for LA**

**Stage 4 - 10  
Weeks for AHB**

**Review DHPLG Approval; Undertake Tendering; Review  
Tenders; Send Tender Report / Stage 4 Proposal to DHPLG**

**Stage 4 Application  
– 1 week for LA**

**Stage 4 Proposal Assessed  
by DHPLG - 4 Weeks**

**Contract Award – 4  
weeks**

**Stage 1 Proposal  
Assessed by DHPLG – 5  
Weeks for Dept  
approval**

**Stage 2 - 17  
Weeks for AHB**

**Stage 2 - 2  
Weeks for LA**

**Stage 2 Proposal  
Assessed by  
DHPLG - 4 Weeks**

**Design & Planning ahead of PP  
Site Investigations, Appoint  
Consultants**

**Stage 3 - 20 Weeks  
for AHB**

**Stage 3 - 2  
Weeks for LA**

**Stage 3 Proposal  
Assessed by DHPLG - 4  
Weeks**

**Planning Process; Review  
Design & Costs; Prepare  
Tender & Review post-PP**

**Stage 4 - 2 Weeks for  
LA**

**Stage 4 - 10 Weeks for  
AHB**

**Stage 4 Application – 1  
week for LA**

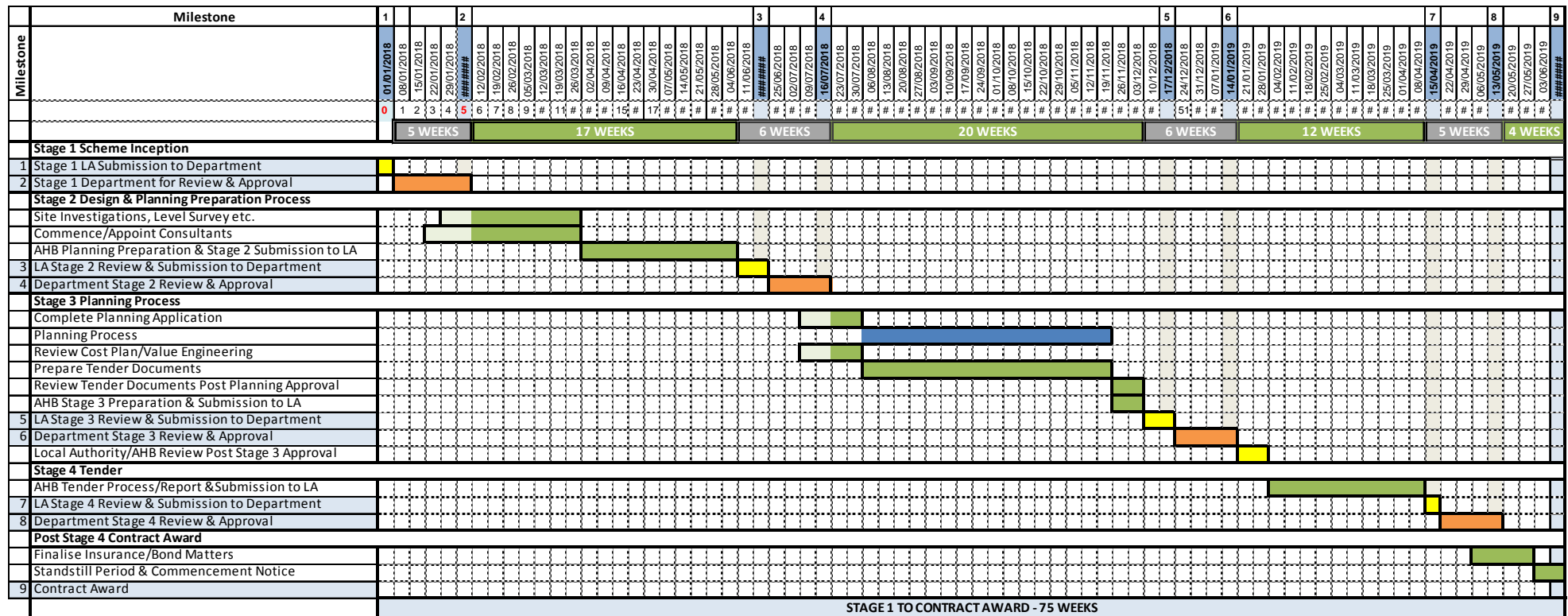
**Stage 4 Proposal Assessed  
by DHPLG - 4 Weeks**

**Contract Award – 4 weeks**

**Review DHPLG Approval; Undertake  
Tendering; Review Tenders; Send Tender  
Report / Stage 4 Proposal to DHPLG**

# Proposed CAS timeline

- Draft chart



**Qualifications/notes**

1. Fire Certificate & DAC excluded but capable of running in tandem with Planning process
2. Target programme assumes minimum risk vis-à-vis planning, a positive and robust tender process and successful contractor insurance and bond clearance within reasonable timelines
3. Contract award (i.e. issue of letter of acceptance)
4. Pre-stage 1 engagement between AHB & LA is strongly encouraged to assist with project progression to programme

# Real example: 6 unit development in a major town

	<b>Time taken in reality</b>	<b>Target time under the 75 week timeline</b>	<b>Acceleration if everyone stuck to the timeline</b>
<b>Stage 1 approved</b>	<b>3 weeks</b>	<b>5 weeks</b>	<b>0 weeks</b>
<b>Stage 2 submitted</b>	<b>43 weeks</b>	<b>19 weeks</b>	<b>24 weeks</b>
<b>Stage 2 approved</b>	<b>6 weeks</b>	<b>4 weeks</b>	<b>2 weeks</b>
<b>Stage 3 submitted</b>	<b>23 weeks</b>	<b>22 weeks</b>	<b>1 week</b>
<b>Stage 3 approved</b>	<b>3 weeks</b>	<b>4 weeks</b>	<b>0 weeks</b>
<b>Stage 4 submitted</b>	<b>35 weeks</b>	<b>13 weeks</b>	<b>22 weeks</b>
<b>Stage 4 approved</b>	<b>5 weeks</b>	<b>4 weeks</b>	<b>1 week</b>
<b>TOTAL</b>	<b>118 weeks</b>	<b>71 weeks (+4 for site start)</b>	<b>50 weeks</b>

# Real example: 4 unit development in a small rural town

	Time taken in reality	Target time under the 75 week timeline	Acceleration if everyone stuck to the timeline
Stage 1 approved	7 weeks	5 weeks	2 weeks
Stage 2 submitted	<b>110</b> weeks	<b>19</b> weeks	91 weeks
Stage 2 approved	13 weeks	4 weeks	9 weeks
Stage 3 submitted	<b>33</b> weeks	<b>22</b> weeks	11 weeks
Stage 3 approved	6 weeks	4 weeks	2 weeks
Stage 4 submitted	15 weeks	13 weeks	2 weeks
Stage 4 approved	3 weeks	4 weeks	0 weeks
<b>TOTAL</b>	<b>187 weeks</b>	<b>71 weeks (+4 for site start)</b>	<b>117 weeks</b>



# Real example: 2 unit development in a small town

	<b>Time taken in reality</b>	<b>Target time under the 75 week timeline</b>	<b>Acceleration if everyone stuck to the timeline</b>
<b>Stage 1 approved</b>	<b>6 weeks</b>	<b>5 weeks</b>	<b>1 week</b>
<b>Stage 2 submitted</b>	<b>78 weeks</b>	<b>19 weeks</b>	<b>59 weeks</b>
<b>Stage 2 approved</b>	<b>23 weeks</b>	<b>4 weeks</b>	<b>19 weeks</b>
<b>Stage 3 submitted</b>	<b>44 weeks</b>	<b>22 weeks</b>	<b>22 weeks</b>
<b>Stage 3 approved</b>	<b>4 weeks</b>	<b>4 weeks</b>	<b>0 weeks</b>
<b>Stage 4 submitted</b>	<b>19 weeks</b>	<b>13 weeks</b>	<b>6 weeks</b>
<b>Stage 4 approved</b>	<b>5 weeks</b>	<b>4 weeks</b>	<b>1 week</b>
<b>TOTAL</b>	<b>179 weeks</b>	<b>71 weeks (+4 for site start)</b>	<b>108 weeks</b>

# Summary

- The 75 week timeline is a collective target – we can all improve \_\_\_\_\_
- The Department is anxious to see more CAS proposals – the funding is there and we want to fully spend it.
- We see CAS as being the main scheme to provide housing for the elderly, homeless and for people with disabilities and we ask AHBs to consider CAS in the first instance when they are providing housing for these categories.
- Precise timeline subject to agreement with LAs – already discussed with the ICSH.

