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| **Procedural Compliance****Right to Acquire****2011–15, 2015-18 and 2016-21**V2.0 – June 2017 | Description: http://www.homesandcommunities.co.uk/sites/default/files/aboutus/brand/hca_3282_sml_aw.png |
| **For use by ‘Independent Auditors’ undertaking self-assessment compliance audits under the Framework Delivery Agreement (FDA) procedures** |
| The purpose of this checklist is to identify specific checks to be undertaken in order to determine whether all procedural requirements, relevant funding conditions and FDA conditions as set out in the Affordable Housing Capital Funding Guide have been met. |
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| **Audit Year** |       | **Date of audit visit** | Click here to enter a date. |
| **Partnership / offer name** | Enter bothEnter both | **Partnership / offer I.D.** | Enter bothEnter both |
| **Lead Provider name** | Enter both | **Lead Provider HCA registration code** | Enter both |
| **Scheme name and address** |       | **Scheme IMS number** |       |
| **Interim payment event date** | Click here to enter a date.If N/A enter comment - (enter latest interim payment event recorded in IMS or N/A) | **Final cost event date** | Click here to enter a date.If N/A enter comment - (enter latest final cost event recorded in IMS or N/A) |
| **Developing Provider name** |       | **Developing Provider HCA registration code** |       |
| **Tenure of housing** | RTA | **Development type** | e.g. newbuild, refurbishment etc. |
| **Independent auditor business name** |       | **Full contact details of checklist completer** |        |
| In addressing the checks set out below please answer either 'Yes' or 'No' as appropriate. Where checks are considered not to be applicable to the scheme then a 'No' response should be inserted and justifying comments made. The Comments box should also be used to explain deficiencies or shortfalls in supporting documentation.**The Auditors report should summarise all of the findings and instances where specific checks were considered to be not applicable.** |
| **Item** | **Scheme file documents** | **Y / N** | **Comments** |
| 1 | Has the Provider maintained a scheme file containing relevant documents?***Auditor notes****Check the relevant type of filing systems i.e. paper arch files, electronic files etc. as required* | Choose an item. |       |
| 2 | Has the tenant's application form been correctly completed and signed by the tenant?***Auditor notes****Check that the application is on file and it is signed and dated by the eligible tenant(s)* | Choose an item. |       |
| 3 | Was the tenant a qualifying tenant, as described in the RTA procedures?***Auditor notes****Check eligibility of the applicant(s)* | Choose an item. |       |
| **4** | **Is there evidence on file that:** | **Y / N** | **Comments** |
| 4a | The tenant has been obliged to give up possession of the tenanted property in pursuance of an order of the court or will be obliged to at a date notified in the order;***Auditor notes****Check that the tenant has confirmed that none of this applies* | Choose an item. |       |
| 4b | The tenant does not have a bankruptcy petition pending against him/her;***Auditor notes****Check that the tenant has confirmed that none of this applies* | Choose an item. |       |
| 4c | The tenant is not an undischarged bankrupt***Auditor notes****Check that the tenant has confirmed that none of this applies* | Choose an item. |       |
| 4d | The tenant has not made an arrangement with creditors the terms of which remain to be fulfilled (e.g. a formal arrangement under either the Deed of Arrangement Acts 1914 or the Insolvency Act 1986)***Auditor notes****Check that the tenant has confirmed that none of this applies* | Choose an item. |       |
| 4e | The tenant(s) was/were Secure or Assured;***Auditor notes****Check the tenancy agreement* | Choose an item. |       |
| 4f | Indicates a joint tenancy;***Auditor notes****Check the tenancy agreement* | Choose an item. |       |
| 4g | The application has been correctly completed and signed by the tenant and others joining in the application;***Auditor notes****If the tenant is jointly purchasing with family members, check that the number of family members doesn't exceed the limit of 3.* | Choose an item. |       |
| 4h | The tenant had been a public sector tenant for the appropriate qualifying period;***Auditor notes****Check the tenancy agreement* | Choose an item. |       |
| 4i | There was an effective possession order;***Auditor notes****Check for the court order document* | Choose an item. |       |
| 4j | The property was not statutorily excluded from the scheme;***Auditor notes****Check the property type against the list of 'excluded properties'* | Choose an item. |       |
| 4k | The tenant had not already claimed the Right to Buy/Preserved Right to Buy.***Auditor notes****If s/he has, ensure that the application was withdrawn by the tenant or denied by the landlord to enable the tenant to claim the RTA* | Choose an item. |       |
| 5 | Eligible property: Does the property meet the statutory procedural criteria?***Auditor notes****Check against the list of eligible and ineligible properties* | Choose an item. |       |
| 6 | Did the provider issue an offer notice form providing details of the term of sale and is this offer on file?***Auditor notes****Check the offer notice against the procedures and ensure all the relevant information is contained in the notice* | Choose an item. |       |
| 7 | Is there evidence on file that the purchase price of the dwelling was based on its open market value?***Auditor notes****Check that a valid open market valuation is on file* | Choose an item. |       |
| **8** | **Is there evidence on file that the RP checked the following before purchase completion took place?** | **Y / N** | **Comments** |
| 8a | The tenant was not more than 4 weeks in rent arrears;***Auditor notes****Check the rent statement applicable at the time of purchase completion* | Choose an item. |       |
| 8b | A possession order had not been obtained during the period of processing the tenant's application;***Auditor notes****Check that such order is not on file* | Choose an item. |       |
| 8c | The Provider checked that the mortgage offer is from an approved lender who is entitled to register the tenant's mortgage as a first charge , before purchase completion took place;***Auditor notes****Check the lender is listed in the approved list* | Choose an item. |       |
| 9 | Is there written evidence that the repayment of discount requirement has been secured or confirmation from the Provider’s solicitor that the appropriate instructions had been given to the Land Registry seeking registration of the charge?***Auditor notes****Check that the RP conveyance includes the appropriate repayment covenant – normally the requirement to repay discount is a charge that ranks immediately after that of the purchaser's lender.* | Choose an item. |       |
| 10 | Is written evidence of the purchase completion date on file?***Auditor notes****Check that the purchase completion certificate is on file or a letter from the solicitors* | Choose an item. |       |
| 11 | Was the grant claim correct and submitted in accordance with the published timetable?***Auditor notes****Check that submission date and amount in IMS reflect correct published timetable and discount amount* | Choose an item. |       |
| 12 | Where the discount represents more than 50% of the value of the property, is the discount actually given no more than the maximum allowable of 50% of property value?***Auditor notes****Check that the discount is equal to or less than 50% of the value of the property* | Choose an item. |       |
| 13 | Does the discount amount correspond to the amount published in the current RTA discount Order (or TCI HC Circular) as applicable at the date of the service of offer notice?***Auditor notes****Refer to legislation.gov.uk website when applicable* | Choose an item. |       |
| 14 | Receipts from sales are retained by the RP in a ring-fenced fund referred to as the 'Disposal Proceeds Fund'.***Auditor notes****Funds arising on or after 6th April 2017 are no longer required to be paid into the DPF* | Choose an item. |       |
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| **Independent Auditor (IA) signature** | Checklist completer | **Date** | Click here to enter a date. |
| **IA in charge** | Authorised signatory | **Date** | Click here to enter a date. |