



Coastal Communities Fund Round four

Stage two: Glossary of capital terms

Access audit

A part of the process of designing a building or site, which considers how disabled people will be able to access the building or site. This relates to the Equality Act 2010 -

<https://www.gov.uk/guidance/equality-act-2010-guidance>

Adverse entries

Anything appearing on the documents, which prove the landowner's title to the land, which might affect the landowner's ability to use all or part of the land for the grant purposes or which might limit the use of certain parts of the land for a specific purpose or which might have an adverse impact on the value of the land.

Agreement for or to lease

Before the tenant takes a lease (confirming his leasehold ownership), the landlord might confirm in a written document called an agreement for lease that they will give the tenant a lease if certain conditions are met. If they are not met the tenant will not get the leasehold ownership. Therefore, you must be sure that you can meet the conditions of an agreement for lease if the grant depends on you having a leasehold ownership.

Architects Act 1997

The consolidating Act of the Parliament of the United Kingdom for the keeping and publishing of the statutory Register of Architects by the Architects Registration Board.

<http://www.legislation.gov.uk/ukpga/1997/22/contents>

Asset management

Systematic and coordinated activities and practices through which an organisation optimally and sustainably manages its assets and asset systems, their associated performance, risks and expenditures over their life cycles for the purpose of achieving its organisational strategic plan.

Asset monitoring period

The period over which we will monitor your project to ensure that the grant purpose is being met. The period during which we will hold you responsible for the condition and use of the land and buildings funded by the grant starting from the date the capital works are completed.

Assignable lease

A term used for leasehold land and buildings to show whether the land and buildings can be sold to or given to another owner. The lease will say whether the land and buildings can be given to or sold to another owner and therefore if the lease is assignable. Often the lease will contain a number of conditions that have to be met before the lease is assignable. These conditions may include obtaining the consent of the landlord.

Break clause

A provision in a lease that allows the landlord or the tenant or both to bring the lease to an end before the full period of years has elapsed.

BREEAM

Building Research Establishment Environmental Assessment Method - BREEAM is widely regarded as a measure of best practice in environmental design and management.

Building control approval

Confirmation from the local authority building control service that project proposals and plans comply with the building regulations. <http://www.labc.co.uk/> Building control approval can also be given by the 'approved inspector route' using an approved inspector as an alternative to the local authority. Approved Inspectors are companies or individuals authorised under the Building Act 1984 to carry out building control work in England and Wales. The Construction Industry Council (CIC) is responsible for deciding all applications for approved inspector status. <http://cic.org.uk/>

Building and engineering works

Work required to deliver the project such as extension, modernisation or conversion.

Building professional

A professional adviser, or consultant, with specialist training and knowledge employed by you to act for you.

Building regulations in England/Wales

Rules made under powers provided within the Building Act 1994, which apply in England and Wales, which cover the technical aspects of building projects (for example structural, fire safety, ventilation). You or your professional advisers will need to obtain approval that your proposals meet the regulations from the local authority or the approved agent. For further information on building regulations refer to the Department for Communities and Local Government website at www.communities.gov.uk

Building regulations in Northern Ireland

Rules made under the powers provided within the Building Regulations (Amendment) Act (Northern Ireland) 2009 cover the technical aspects of building projects. You or your professional advisers will need to obtain approval that your proposals meet the regulations from the local authority or the approved agent. For further information on building regulations refer to the Building Regulations section of the Department for Finance website at <https://www.finance-ni.gov.uk/articles/building-regulations-northern-ireland>

Building regulations in Scotland

Rules made under powers provided within the current Building (Scotland) Act. For further information on Building Standards in Scotland please refer to The Scottish Government website. www.scotland.gov.uk/Topics/Built-Environment/Building/Building-standards

Burdens and Servitudes

Rights over property that is owned by someone else for example, rights to cross land with vehicles or by laying pipes and cables.

Capital assets

Assets that have a large monetary value such as land, buildings, equipment and vehicles.

Capital Cost Plan

A document which provides in-depth details of the total capital cost of the project which is required to be completed by the applicant and submitted in support of the application and Capital Delivery Plan.

CDM Regulations

The Construction (Design and Management) Regulations 2015. These cover health and safety regulations for building works. The people in your organisation responsible for delivering your capital project may have personal legal obligations under this legislation. Your lead designer has a responsibility to advise you of your obligations. Further information is available from the: HSE at <http://www.hse.gov.uk/construction/cdm/2015/index.htm>

Commercial clients

Under the Construction (Design and Management) Regulations 2015, commercial clients are classed as organisations or individuals for whom a construction project is carried out that is done as part of a business.

They must:

Make suitable arrangements for managing a project, including making sure:

- other dutyholders are appointed as appropriate, while making sure they have the skills, knowledge, experience and organisational capability
- sufficient time and resources are allocated

Ensure:

- relevant information is prepared and provided to other dutyholders
- the principal designer and principal contractor carry out their duties
- welfare facilities are provided

Certificate of practical completion

Certificate issued under the building contract (by contract administrator) to show that the building works are complete apart from any defects. While not necessarily complete in every respect, the building should be safe and capable of occupation. The issue of this certificate represents a significant contractual milestone.

Certificate of Title

A written document (on our standard form) from a solicitor confirming that the grant recipient is the leasehold, or freehold owner of the land and buildings to which the grant relates and that there are no restrictions which might stop the grant being used for the grant purpose.

Chartered Institute of Architectural Technologists (CIAT)

The qualifying body for Chartered Architectural Technologists (MCIAT) and professional Architectural Technicians (TCIAT). For further information visit the CIAT website (www.ciat.org.uk)

Chartered Institute of Building (CIOB)

The Chartered Institute of Building is the professional body for construction management professionals. They promote the science and practice of building and construction for the benefit of society. For more information visit the CIOB website www.ciob.org)

Contingency

An amount of money (usually expressed as a percentage) built into the total project costs in case part of the project costs more than you thought.

Contract administrator

The person or organisation (for example architect, architectural technologist or technician, engineer or building surveyor) named within a building contract to manage the terms of the contract between you and the contractor.

Contractor

The organisation carrying out building work for a pre-agreed cost and within a set timescale.

Covenant

A formal promise of a legal responsibility to another person to take action or not to take action.

Easements

Rights over property that is owned by someone else, for example rights to cross land with vehicles or by laying pipes and cables.

Ecclesiastical exemption

Works to places of worship for exempt religious denominations under the Planning (Listed Buildings and Conservation Areas) Act 1990, are exempt from listed building and conservation area consent. <https://historicengland.org.uk/advice/hpg/consent/ecclesiasticalexemptions/>

Details of the exemption are set out in the Planning (Listed Buildings and Conservation Areas) Act 1990 and within the Ecclesiastical Exemption (Listed Buildings and Conservation Areas) (England) Order 2010.

The exemption applies to places of worship, their contents and curtilage, but not to residences. The exemption applies only to recognised religious bodies that can demonstrate to the Secretary of State for the Department for Culture Media and Sport (DCMS) that they have procedures in place that provide controls over works to listed buildings and to unlisted buildings in conservation areas that are equal to normal listed building and conservation area controls.

At present, the exempt denominations in England are:

- The Baptist Union of Great Britain.
<http://www.baptist.org.uk/Publisher/File.aspx?ID=111332&view=browser>
- The Church of England.
- The Methodist Church. - <http://www.methodist.org.uk/ministers-and-office-holders/property/conservation/ecclesiastical-exemption>
- The Roman Catholic Church. - [http://www.cbcew.org.uk/CBCEW-Home/Departments/Christian-Life-and-Worship/Patrimony/Historic-Churches/\(language\)/eng-GB](http://www.cbcew.org.uk/CBCEW-Home/Departments/Christian-Life-and-Worship/Patrimony/Historic-Churches/(language)/eng-GB)
- The United Reformed Church.

Employer's Agent

The person acting on behalf of the client/employer in respect of administration of a 'design and build' contract incorporating issue of notices and certificates.

Extension

Additional space built on to an existing building.

External works

The works on or in the land surrounding a building for example drainage work, roads and paths and landscaping.

Final certificate

A certificate issued under the building contract (by contract administrator) usually issued six to 12 months after the Certificate of Practical Completion and following the Making Good Defects certificate. It confirms the end of the builder's liability and marks the end of the Contract administrator's authority under the contract.

Fixtures and fittings

Items inside a building that are attached to the walls/ceilings/floors or built in as part of the building for example electrical sockets and light fittings.

Freehold

A form of ownership of land or buildings where ownership cannot be taken away from the owner unless they agree. This is the most permanent way in which someone can own land or buildings. The owner owns the property forever, or until they sell it or give it away. They do not have to pay anyone for the use of the land and buildings.

Folio (Northern Ireland only)

An individual section of the Title Register at the Land Registry that records the Title to a specific property.

Gantt chart

A pictorial representation of a project plan, showing activities, milestones, and dependencies.

Good and marketable Title

This means that the current owner has complete freedom to sell you the property and no other party has an interest in it.

Grant purpose

What our grant must be used for.

Gross Internal Floor Area (GIFA)

The gross internal floor area of a building is calculated by measuring the floor area to the inside face of the outer walls for each floor level. It includes areas occupied by internal walls and partitions, columns, piers and other internal projections, internal balconies, stairwells, toilets, lift lobbies, fire corridors, atria measured at base level only, and covered plant rooms. It excludes the perimeter wall thickness and external projections, external balconies and external fire escapes. Furthermore, unused areas such as unheated cellars or lofts are not included in the gross internal floor area. Its unit is measured in m².

Ground investigations

A detailed technical investigation of the ground on which a building will be constructed to determine the type of soil and sub soil, how suitable it is for building on and whether it contains any old structures that need preserving, contaminated areas or existing pipes, cables or other services.

Heritable Ownership (Scotland only)

A form of ownership of land or buildings where ownership cannot be taken away from the owner unless they agree. This is the most permanent way in which someone can own land or buildings. The owner owns the property forever, or until they sell it or give it away. They do not have to pay anyone for use of the land and buildings. Applicable in Scotland only.

Land Registry (Land Register / Register of Sasines in Scotland)

The national land database where landowners can record their ownership. If they do so their land is registered land. Anyone can find out who owns a piece of land if it is registered at the Land Registry.

Lead building professional

The member of the design team (normally the architect or architectural technologist, project manager or building surveyor) who, appointed following competitive tendering process, takes overall responsibility for coordinating of the design process and client contact.

Lease

An agreement between landlord and tenant granting the tenant the right to possess the leasehold property subject to payment of rent. Under normal circumstances, the tenant is free to do what they want with the property for the duration of the lease, provided they comply with the requirements of the lease.

Leasehold

A form of land ownership that the tenant holds from a landlord for a limited number of years.

Legal Opinion

A written document from a solicitor in which the solicitor confirms that they believe the recipient has the legal power to sign the terms and conditions of grant or other document that we may ask the grant recipient to sign.

Licensed conveyancer

A person qualified to prepare the legal documents and carry out the legal process of transferring ownership of property (as an alternative to using a solicitor).

Listed building and Listed building consent

A building which, because it has special historic or design features that require protection, has been given 'listed' status by English Heritage, Historic Scotland or Cadw (the historic environment division within the Welsh Assembly) and requires special approval if it is to be altered or extended. The Act that covers this area is the Planning (Listed Buildings and Conservation Areas) Act 1990 and the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997.

Management committee

Members of your organisation's governing body (who may be called trustees, directors, members of the management committee).

Non-recoverable VAT

VAT charged on buying goods, services or transactions that you are not able to reclaim from HM Revenue and Customs. You should seek guidance and obtain written confirmation of the VAT position in relation to your proposed project. Unexpected VAT bills can add significantly to the total cost of your capital project.

Office of Rail and Road (ORR)

The Office of Rail and Road (ORR) protects the interests of rail and road users, improving the safety, value and performance of railways and roads today and in the future.

<http://orr.gov.uk/about-orr>

The ORR is responsible for ensuring that railway operators comply with health and safety law. The ORR regulates Network Rail's activities and funding requirements, regulates access to the railway network, licenses the operators of railway assets and publishes rail statistics.

Overheads

By overheads we mean the costs of employees, volunteers, equipment, space and services that partly support the project you want us to fund, but also support your other work. Further information is available about Full cost recovery on our website

www.biglotteryfund.org.uk/funding/funding-guidance/applying-for-funding/full-cost-recovery

Planning permission or planning consent

The permission required from the Local Authority to build on land, or change the use of land or buildings.

Peppercorn rent

Minimal rent paid to keep a claim, or title, in force.

Preliminaries

These are the associated costs that contractors incur in the completion of a project, for example the cost of hoarding or a site office, or heating the site office (rather than the costs of the actual building work, for example the bricks, blocks, concrete).

Principal designer

A designer appointed by the client to control the pre-construction phase on projects with more than one contractor. The principal designer's main duty is to plan, manage, monitor and coordinate health and safety during this phase, when most design work is carried out. This relates to the Construction (Design and Management) Regulations 2015.

Principal contractor

A contractor appointed by the client to manage the construction phase on projects with more than one contractor. The principal contractor's main duty is to plan, manage, monitor and coordinate health and safety during this phase, when all construction work takes place. This relates to the Construction (Design and Management) Regulations 2015.

Private sector

Sole traders and organisations run for private profit and that are not controlled by the state.

Professional indemnity insurance

Insurance covering building professionals from civil law claims arising from advice or services provided.

Project start

If your project is mainly a revenue project, but includes a capital element, the following will define the project start date:

- the date when the first member of staff starts work on the project or
- the date when the contractor commences site setup and progresses with all construction work in line with the agreed programme/project plan provided at tender review stage.

If your project is mainly a capital project involving refurbishment, extension or new build works, only or minimum addition to the purchase of land and/or buildings, the following will define the project start date:

- the date when the contractor commences site setup and progresses with all construction work in line with the agreed programme/project plan provided at tender review stage.

If your project is only about purchasing land and/or buildings, that is without any construction work, the date of the purchase will define your project start date.

Public sector

The public sector comprises central government, local government and public corporations as defined for the UK National Accounts. Lists of all these are shown in the UK National Accounts Sector Classification Guide on the National Statistics website.

- Central government includes all administrative departments of government and other central agencies and non-departmental public bodies.
- Local government includes all government units with a local remit.
- Public corporations are companies or quasi corporations controlled by government.

Refurbish

To renovate, re-equip, or restore a building.

Registered land

Registered land is governed and maintained by the Land Registration system. Land and buildings that are registered at the Land Registry are allocated a unique title number. The particular piece of land is documented by a land registry 'official copy of title', which shows the title (or folio) number, the property description, the name of the landowner (registered proprietor) and any other matters relevant to the land and recorded by the land registry.

Restriction (on Title)

An entry made on the official copy of title at the land registry (see registered land) notifying someone of the lender's interest in the property. The restriction will warn anybody having possible dealings with that property that the landowner needs the lender's consent before selling or leasing the land.

Restrictive covenant

A covenant acknowledged in a deed or lease that restricts the free use or occupancy of property.

RIBA (Royal Institute of British Architects)

The professional UK body for architects and founded for the advancement of architecture under its charter. For further information visit the RIBA website (www.architecture.com).

RIBA Work Stage 4

The RIBA operates the Plan of Work 2013 (<https://www.ribaplanofwork.com/>) which organises the process of managing, designing and administering building projects into a number of key Work Stages. RIBA Work Stage 4 is the Technical Design stage by which all architectural, structural and building services information and specifications are sufficiently developed and building regulations full plans approval or equivalent plus all necessary consents have been obtained and tender documents have been developed ready to be sent to organisations for tendering. For further information visit the RIBA website (www.architecture.com).

RIAS (Royal Incorporation of Architects in Scotland)

This is the professional body for architects in Scotland. (www.rias.org.uk)

Royal Institution of Chartered Surveyors (RICS)

The Royal Institution of Chartered Surveyors (RICS) is a professional body that accredits professionals within the land, property and construction sectors worldwide. For further information visit the RICS website (www.rics.org)

Searches

Questions asked before land or buildings are bought to check if there are any rights, restrictions, covenants or other matters affecting the property that may cause the new owner a problem.

Section 106 agreements

Obligations intended to mitigate or compensate for the negative impacts of developments or to prescribe the nature of developments. They are intended to make acceptable developments which would otherwise be unacceptable. Examples include requiring that the development provides affordable housing, requiring compensation for the loss of open space, or making a contribution to the provision of additional infrastructure to serve the development.

Section 106 agreements must be:

- Directly relevant to planning.
- Necessary to make the proposed development acceptable.
- Directly related to the proposed development.
- Reasonable and in proportion to the development

http://www.pas.gov.uk/3-community-infrastructure-levy-cil/-/journal_content/56/332612/4090701/ARTICLE

Section 278 agreement - works to existing highways

Section 278 of the Highways Act 1980 allows a developer to carry out works to the public highway. This is generally necessary where planning permission has been granted for a development that requires improvements to, or changes to, public highways. The agreement between the highway authority and the developer is called a Section 278 Agreement, and it may allow for items such as:

- Roundabouts.
- Priority junctions.
- Junctions with traffic lights.
- Right turn lanes.
- Improved facilities for pedestrians and cyclists.
- Improvements to existing junctions.
- Traffic calming measures.

The developer may be responsible for designing, carrying out and paying for the works to the satisfaction of the local highway authority, alternatively the highway authority may carry out the works.

http://www.designingbuildings.co.uk/wiki/Section_278_agreement_-_works_to_existing_highways

Security of Tenure

A good, strong and usually well documented right to own or use a property for a period of time.

Social enterprise

A business with primarily social objectives whose surpluses are principally reinvested in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners.

SMART target

A target that is specific, measurable, achievable, realistic and time-based.

Specification

A description of the type of materials or service to be used in the building works.

State aid

State aid is an EC term for any public support given selectively to an undertaking that could potentially affect competition and intra-community trade. State aid provided by European Union Member States can distort the market, which in turn can result in lower competitiveness for business, less innovation and ultimately higher prices for consumers. There is therefore a need for effective State aid control in order to maintain a level playing field for free and fair competition in the single market.

Tenant

The holder or owner of a lease who pays rent to the landlord for the use of the property.

Tender

A formal process that allows contractors to bid to supply a service or carry out work at a stated cost.

Tender Confirmation Form

A pro-forma document issued by Big Lottery Fund to an organisation which has secured a capital grant award of £50,000 or more. This document must be completed by grant holders **before** placing a contract for building works. It confirms that an appropriate procurement process has been undertaken, in line with relevant procurement legislation; updated project cost summary, cashflow and project programme have been provided; there are no significant changes to the project plans and specifications submitted within the capital delivery plan. A copy of the Tender Review Report must be submitted in support of the Tender Confirmation Form.

Tender Review Report

A written report by an appropriately qualified member of your design team to report on the tenders received, the work undertaken to check them and the final result and recommendation after checking.

Tenure

The form of right (title) under which land or a building is held or occupied (freehold, heritable or leasehold or licence).

Third sector

The third sector is defined as being organisations that are independent from the state, with a motivation derived from values and social purposes rather than the pursuit of profit, and which re-invest surpluses principally in pursuit of these values rather than make them available for private distribution.

Title

The legal right by which property is owned or occupied.