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		URA/PB/2013/10-DCG
Our Ref	:	BCA ID
		DC/ADMIN/CIRCULAR/PB_13
Date	:	2 Sep 2013

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CIRCULAR TO PROFESSIONAL INSTITUTES

REVISION TO THE BALCONY BONUS GROSS FLOOR AREA (GFA) SCHEME FOR PRIVATE NON-LANDED RESIDENTIAL DEVELOPMENTS TO PROMOTE HIGHER CONSTRUCTION PRODUCTIVITY

This circular must be read in conjunction with the overall 10% bonus GFA budget in URA's Circular No: <u>URA/PB/2009/03-DCG</u> dated 29 April 2009 on "Framework for Managing Bonus Gross Floor Area Incentives".

Effective date

The changes will take effect from 1 November 2013 in two phases and will be effective for 5 years.

Who should know

Building owners, developers, architects and structural engineers

Background

- 1. The Ministry of National Development highlighted at the 2013 Committee of Supply Debate that in the next three years, companies across the entire construction value chain (including developers, architects, engineers and contractors) will have to work closer together to adapt to the changes in policies and business environment as well as to achieve higher productivity.
- 2. Higher buildability standards, including prefabrication such as use of drywall and prefabricated bathroom units (PBUs), will help to significantly improve construction productivity. In addition, these will reduce noise and dust during construction which is increasingly important as more developments are located in densely built up areas.

3. The current Balcony Bonus GFA scheme has been revised to further encourage the industry to improve construction productivity by adopting more productive construction solutions.

Details of the Revised Balcony Bonus GFA Scheme

- 4. The intention of the revision is to reward developers who make the extra effort to strive for higher buildability. Details of the revised scheme are as follows:
 - i. <u>Phase 1 Private non-landed residential developments</u>¹ can apply for the <u>balcony bonus GFA scheme up to the quantum and subject to the</u> conditions specified in the table below with effect from 1 Nov 2013.

Up to 3% additional GFA beyond the Master Plan Gross Plot Ratio (GPR) for balconies if:			Up to 10% additional GFA beyond the Master Plan GPR for balconies if:		
a.	It achieves at least 10 points above the minimum legislated buildable design score; and	a.	It achieves at least 10 points above the minimum legislated buildable design score;		
b.	Uses drywalls for <u>all internal dry</u> areas in the development.	b.	Uses drywalls for <u>all internal</u> <u>dry areas</u> in the development; and		
	-	C.	At least 65% of the bathrooms are PBUs.		

ii. <u>Phase 2 – Private non-landed residential developments¹ can only apply for</u> <u>the balcony bonus GFA scheme up to the quantum and subject to the</u> <u>conditions specified in the table below with effect from 1 Nov 2014.</u>

Up to 10% additional GFA beyond the Master Plan GPR for balconies if:

- a. It achieves at least 10 points above the minimum legislated buildable design score;
- b. Uses drywalls for all internal dry areas in the development; and
- c. At least 65% of the bathrooms are PBUs.

Applicable to all new building projects with GFA of 2,000m2 or more.

- 5. Where balconies are proposed under the revised scheme, the prevailing standard guidelines for balconies (eg. perimeter openness, balcony screening requirements, etc.) will still be applicable.
- 6. The approval of the Balcony Bonus GFA under the revised scheme is subject to:
 - a. BCA's acceptance of the preliminary buildable design score computation, buildability detailed design and implementation plan of the development [see BCA circular No: <u>BCA BC 15.0.3</u> dated 1 Aug 2013];
 - b. Submission of Letter of Acceptance (LOA) with Security Deposit (SD) to BCA within one month from Letter of Offer (LOO);
 - c. Submission of a valid BCA's confirmation letter;
 - d. Compliance with all other planning and urban design requirements for the site; and
 - e. Payment of Development Charge (DC) or Differential Premium (DP), whichever is applicable.
- 7. The Balcony Bonus GFA will not form the new prescribed maximum GPR for the site upon redevelopment.
- 8. The revised Balcony Bonus GFA scheme will apply to all new applications for private non-landed residential developments (including executive condominiums) and the residential component of mixed-use projects submitted on or after the effective date¹. Only formal development applications (excluding Outline Applications) submitted before the effective date which have already been granted Provisional Permission or which will result in a Provisional Permission, will not be subject to the revised guidelines for the Balcony Bonus GFA Scheme².

² Development applications submitted before the effective date resulting in an Advice or Refusal of Written Permission (RWP) will be evaluated based on the revised Balcony Bonus GFA scheme upon resubmission after the Advice or RWP.

Submission and evaluation process

- 9. Appendix 1 shows the flowchart for the submission and evaluation process for developments proposing balconies under the revised Balcony Bonus GFA scheme. The main process is outlined below.
- 10. Applicants who are interested in applying for the scheme are required to first submit an application to BCA (using the application form in Appendix 2) and obtain BCA's confirmation letter <u>before</u> including the balcony bonus GFA in their planning submission to URA. The application must indicate the buildable design score that the applicant has set out to achieve and should include a key buildability concept proposal to demonstrate how the pre-requisites of the Balcony GFA will be achieved. BCA will evaluate the application and proposal before extending the Letter of Offer (LOO) to the applicant (more information can be obtained from <u>http://www.bca.gov.sg/</u>). With BCA's LOO, the applicant can proceed to plan and design the development with the Balcony Bonus GFA.
- 11. Following this, the applicant shall submit the Letter of Acceptance (LOA) (Appendix 3) together with the Security Deposit (SD)³ to BCA (see Appendix 4 for an example on SD computation) within one month from the date of LOO. Failure to submit the LOA and the SD within one month from the date of the LOO shall constitute non-acceptance of the LOO. Should that occur, the applicant is required to make a fresh application to BCA in accordance with paragraph 10 above, unless BCA in its sole discretion, agrees to extend the validity of the LOO.
- 12. Upon receipt of the LOA and SD, BCA will issue a confirmation letter to the applicant. After receiving the confirmation letter from BCA, the applicant can submit the confirmation letter and planning application incorporating the Balcony Bonus GFA to URA for planning approval within 6 months. BCA's confirmation letter should be attached in the planning application to URA⁴. The planning application must also be copied to BCA. If no planning application is made within the 6 months validity of BCA's confirmation letter, the applicant will no longer be able to incorporate balcony bonus GFA in its planning application unless BCA in its sole discretion, agrees to extend the validity of the confirmation letter.

³ Security Deposit is computed using a Buildability Premium of SGD\$100/sqm x maximum permissible GFA for the development. The Buildability Premium will be revised every 6 months on 1 Mar and 1 Sep every year.

⁴ Planning applications to URA incorporating balcony bonus GFA without attaching BCA's confirmation letter will not be evaluated for planning approval until the confirmation letter is received by URA.

13. During Phase 1 of the scheme (ie. between 1 Nov 2013 – 31 Oct 2014), if there is any revision to increase the Balcony quantum beyond 3%, the applicant shall inform BCA and seek endorsement again before applying to URA for amendment application. This should be carried out in accordance with the same submission procedure as stipulated in Appendix 1.

Consequences for non-compliance

14. If the applicant subsequently fails to satisfy the stipulated buildable design score standard, the pre-requisites of using drywalls and PBUs where relevant, the SD will be called up. Checks for compliance will be done by BCA at 2 stages:

Stage 1: At Building Plan Submission and Construction Stage

15. At the Building Plan (BP) submission stage in accordance with section 5 of the Building Control Act, the applicant or its appointed Qualified Persons shall submit the Building Plans with the buildable design score, the buildability detailed design and implementation plan, approved balcony quantum⁵ and any other required details to BCA. The buildable design score must meet the standard stipulated as pre-requisites for the development to enjoy Balcony Bonus GFA. BCA will also conduct site checks to ensure compliance of the buildable design score submitted. The applicant or its appointed Qualified Persons shall submit quarterly progress update reports to BCA to demonstrate that the buildable design score requirements can be met.

Stage 2: Before Temporary Occupation Permit Stage

- 16. Checks for compliance will also be done before the Temporary Occupation Permit (TOP) or Certificate of Statutory Completion ("CSC"), whichever is issued earlier by BCA. The applicant or its appointed Qualified Persons shall, before TOP/CSC application, submit the as-built buildable design score and documentation to BCA to demonstrate the fulfilment of all the pre-requisites for Balcony Bonus GFA for assessment.
- 17. If the applicant still has not submitted the evidence of achieving the prerequisites after a reasonable grace period, it will be deemed that the applicant has failed to comply with the terms and conditions of the Balcony Bonus GFA incentive scheme, and the SD will be called up. However, upon full compliance of the pre-requisites and the as-built buildable design score, the applicant may submit the application form (attached in Appendix 5) for the release of SD.

⁵ During Phase 1 of the scheme (i.e. between 1 Nov 2013 – 31 Oct 2014), if there is any revision to increase the Balcony quantum beyond 3%, the applicant shall inform BCA and seek endorsement again before applying to URA for amendment application. This should be carried out in accordance with the same submission procedure as stipulated in Appendix 1.

- 18. We would appreciate it if you could convey the contents of this circular to the relevant members of your organisation. If you or your members have any queries concerning this circular, please do not hesitate to contact BCA's Mr James Lu at Tel: 6325 5091 (email: james_lu@bca.gov.sg) or URA's DCG Enquiry Line at Tel: 6223 4811 (email: ura_dcd@ura.gov.sg). For your information, the past circulars to the professional institutes are available from our BCA, URA and CORENET websites in the links http://www.bca.gov.sg, http://www.bca.gov.sg.
- 19. Thank you.

ANG LIAN AIK GROUP DIRECTOR CONSTRUCTION PRODUCTIVITY CENTRE BUILDING & CONSTRUCTION AUTHORITY HAN YONG HOE GROUP DIRECTOR DEVELOPMENT CONTROL URBAN REDEVELOPMENT AUTHORITY

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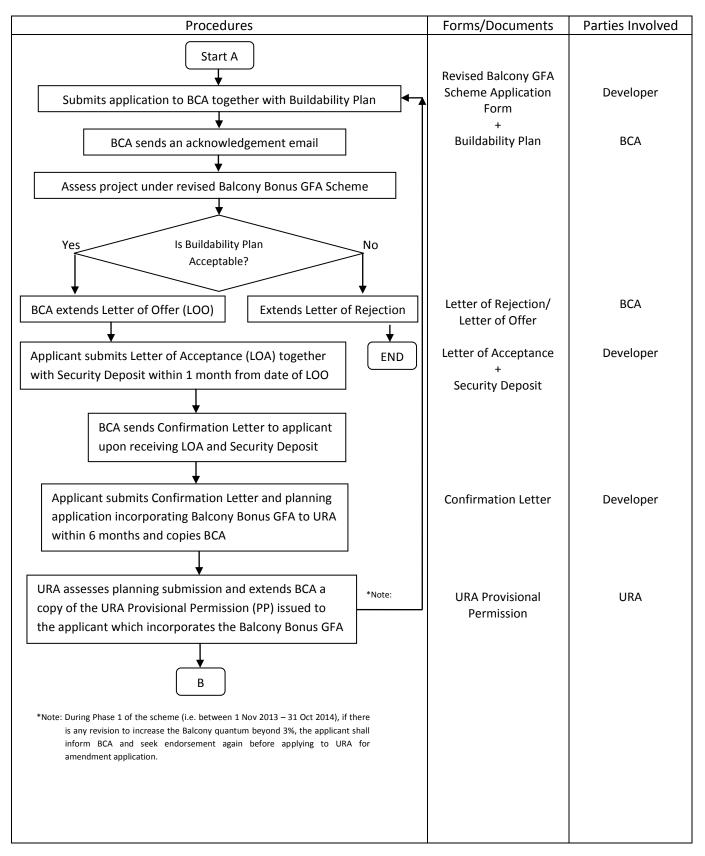
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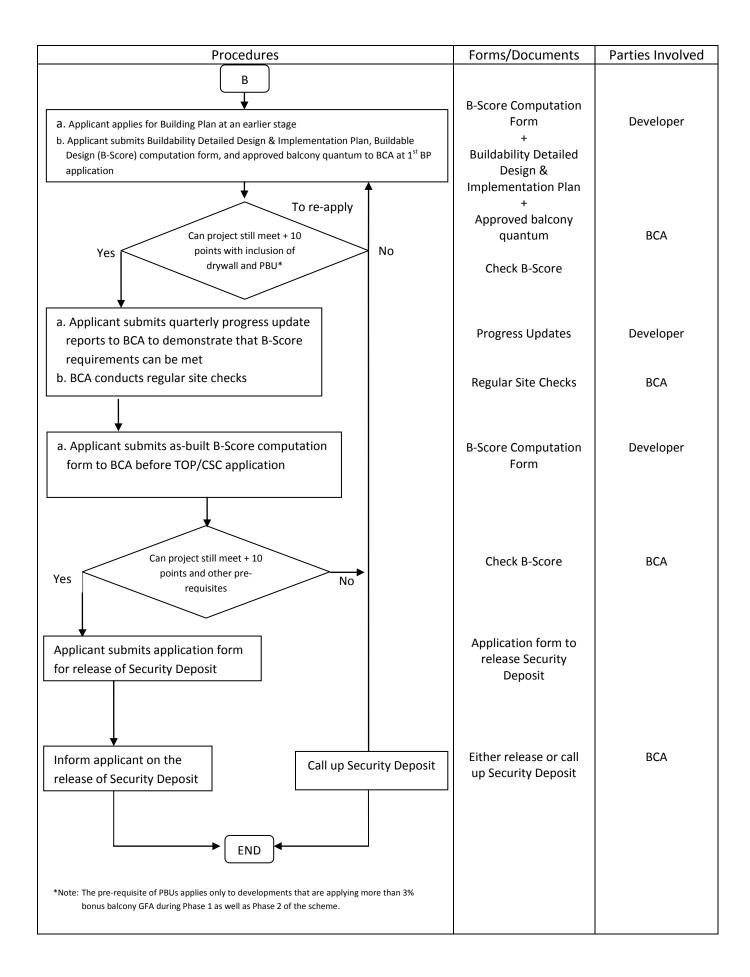
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Appendix 1





Buildability Development Department c/o Building & Construction Authority 5 Maxwell Road #12-02 Tower Block MND Complex Singapore 069110

APPLICATION FORM FOR BALCONY BONUS GFA FOR PRIVATE RESIDENTIAL DEVELOPMENTS

PART 1 PARTICULARS OF PROJECT				
Development Name				
Description of Project				
Location				
TS/MK No				
Estimated Development GFA (sqm)		Expected TOP date		
Development Type:				
Residential (non-landed)				
Mixed-Use Developments(please specify % GFA of the residential category)				
PART 2 PARTICULARS	S OF THE APPLICANT (D	EVELOPER / OWNER)		
Name of Firm				
Address				
Name of Contact		Tel No		
Person				
Email				
PART 3 PARTICULARS OF THE QUALIFIED PERSON				
Name of Firm				
Address				
Name of Contact Person		Tel No		
Email		<u> </u>	1	

PART 4 DESCRIPTION OF BUILDABILITY CONCEPT PROPOSAL			
Minimum Buildable Design Score for the development	Targeted as-built Buildable Design Score for the development		
Use of Drywalls in the Yes development for internal dry areas	Use of Prefabricated Bathroom Units (PBUs) (minimum 65%) Yes, at % (to specify % of adoption) No*		
Proposed Balcony bonus GFA: (To specify in square metres, m ²)			

Applicant shall provide key buildability concept proposal to demonstrate that the development can achieve the pre-requisites for Balcony Bonus GFA. Please include a separate write-up and any other supporting materials, documents or information, e.g. site plans, design plan, etc that you deem will help to illustrate and support your proposal. The attached submission must include the following:

- i) Site layout, floor plans, elevations and other drawings;
- *ii)* Preliminary project buildable design score computation
- *iii) Key buildable design features*
- *iv)* Project team structure

PART 5 AGREEMENT TO TERMS & CONDITIONS

I/We hereby confirm that I/We have read, understood and expressly agree to accept all the Terms and Conditions of this Application and the contents of the appendices. The Terms and Conditions are annexed hereto as Appendix 2-1.

I/We certify that the particulars and the information given in this application are true and correct.

Name & Signature of Applicant (Developer/Owner)

Date

*Delete where appropriate

APPLICATION FORM FOR BALCONY BONUS GFA SCHEME FOR PRIVATE RESIDENTIAL DEVELOPMENTS

TERMS AND CONDITIONS

- 1. Notwithstanding any other provision in the Balcony Bonus GFA Scheme documents and any figure or information submitted by the applicant, the following will be evaluated, assessed, verified and / or determined by BCA at its sole discretion:
 - a) the eligibility of the development or building for the Balcony Bonus Gross Floor Area Scheme (the "Balcony Bonus GFA Scheme");
 - b) the merits of the buildable design concept proposal;
 - c) the full quantum of allowable Balcony Bonus Gross Floor Area (Balcony Bonus GFA);
 - d) the security deposit to be called up for not achieving the stipulated prerequisite criteria for balcony bonus GFA;
 - e) the accuracy of the contents in the application form;
 - f) the authenticity of the documents submitted with the application form; and
 - g) any non-compliance with the procedure set out in Appendix 1 of the Circular.
- 2. The applicant understands, agrees to and accepts all the contents of the Circular and its appendices and BCA's Buildable Design Appraisal System.
- 3. BCA shall not be liable to the applicant for any loss, damage, delay or prejudice suffered by the applicant due to any non-compliance by the applicant with the procedure set out in Appendix 1 of the Circular.

- 4. (a) The applicant shall state the quantum of the Balcony Bonus GFA in accordance with the pre-requisites as stipulated below:
 - Phase 1 Private non-landed residential developments⁶ can apply for the i. balcony bonus GFA scheme up to the quantum and subject to the conditions specified in the table below with effect from 1 Nov 2013. Up to 3% additional GFA beyond to 10% additional GFA Up the Master Plan Gross Plot Ratio beyond the Master Plan GPR for (GPR) for balconies if: balconies if: a. It achieves at least 10 points It achieves at least 10 points a. above the minimum legislated above the minimum legislated buildable design score; and buildable design score; b. Uses drywalls for all internal dry Uses drywalls for all internal b. areas in the development. dry areas in the development; and At least 65% of the bathrooms C.
 - ii. <u>Phase 2 Private non-landed residential developments⁶ can **only** apply for the balcony bonus GFA scheme up to the quantum and subject to the conditions specified in the table below with effect from 1 Nov 2014.</u>

Up to 10% additional GFA beyond the Master Plan GPR for balconies if:

<u>are PBUs</u>.

- d. It achieves at least 10 points above the minimum legislated buildable design score;
- e. Uses drywalls for all internal dry areas in the development; and
- f. <u>At least 65% of the bathrooms are PBUs</u>.

(b) During Phase 1 of the scheme (ie. between 1 Nov 2013 – 31 Oct 2014), if there is any revision to increase the Balcony quantum beyond 3%, the applicant shall inform BCA and seek endorsement again before applying to URA for amendment application. This should be carried out in accordance with the same submission procedure as stipulated in Appendix 1.

⁶ Applicable to all new building projects with GFA of 2,000m2 or more.

5. (a) The applicant shall, within one month from the date of the LOO ("Stipulated Time") (to be done in accordance with the procedure set out in Appendix 1 of the Circular), pay to BCA the security deposit in the manner and amount specified by BCA.

(b) If the security deposit is not paid within the Stipulated Time, BCA may at its sole discretion cancel the LOO for the Balcony Bonus GFA Scheme, and the application for the Balcony Bonus GFA Scheme shall be void and the applicant shall not be entitled to any benefit under the Balcony Bonus GFA Scheme.

(c) The security deposit shall be in the form of cash, a banker's draft, a performance bond or Banker's guarantee in the terms and form set out in the Specimen Performance Bond and Specimen Banker's Guarantee.

(d) The computation of security deposit is based on the formula stated in Appendix 4. BCA reserves the right to review the amount, at its sole discretion, where applicable.

 (a) The applicant shall, within [6] months from the date of the confirmation letter, submit the confirmation letter and planning application incorporating the Balcony Bonus GFA to URA for planning approval. This planning application shall be copied to BCA.

(b) If no planning application is made within the 6 months validity of BCA's confirmation letter, the applicant will no longer be able to incorporate balcony bonus GFA in its planning application unless BCA in its sole discretion, agrees to extend the validity of the confirmation letter

- 7. The applicant shall submit the as-built buildable design score and documentary evidence to BCA showing that the development has met all the pre-requisites for the Balcony Bonus GFA no later than <u>21 days</u> prior to submitting the application for clearance for Temporary Occupation Permit or Certificate of Statutory Completion, whichever is applicable.
- 8. In the event that the development is unable to meet the pre-requisites for the Balcony Bonus GFA as agreed, the applicant shall be allowed a grace period ("the said period") of three [3] months from the date of Temporary Occupation Permit or Certificate of Statutory Completion, whichever is issued earlier, to comply and submit the evidence of having met the required Buildable Design Score and other pre-requisites for the Bonus Balcony GFA.

- 9. If the applicant does not submit the evidence showing the fulfilment of all the pre-requisites for Balcony Bonus GFA including the required Buildable Design Score within the said period, or BCA finds, in its sole discretion, that the evidence submitted does not indicate fulfilment of all the pre-requisites of the Balcony Bonus GFA as agreed, the applicant shall pay to BCA the amount(s) in the manner set out in Appendix 4 of the Circular and BCA shall have the right to call up the security deposit.
- 10. If BCA finds, pursuant to its assessment and at its sole discretion, that the prerequisites for the Bonus Balcony GFA have been achieved, then BCA shall refund the security deposit to the applicant within [3] months from the time the documentary evidence is made and complied with, or on the date of TOP/CSC issued, whichever is later.
- 11. The Balcony Bonus GFA Scheme, this document, the Circular, and their respective appendices shall be governed by and construed in all respects in accordance with Singapore Law.
- 12. Any dispute between BCA and the applicant arising out of or in connection with the Balcony Bonus GFA Scheme, this document, the Circular, or their respective appendices, including any question regarding their existence, validity or termination, shall be referred to and finally resolved by arbitration in Singapore in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force, which rules are deemed to be incorporated by reference in this clause. The Tribunal shall consist of 1 arbitrator to be appointed by the Chairman of the SIAC. The language of the arbitration shall be English.

Appendix 3

Buildability Development Department c/o Building & Construction Authority 5 Maxwell Road #12-02 Tower Block MND Complex Singapore 069110

Dear Sir/Mdm,

ACCEPTANCE OF BALCONY BONUS GFA SCHEME

We refer to your Letter of Offer dated [Date] for the Bonus Balcony GFA application for "Name of Project".

- 2. We confirm that we accept your offer subject to the terms set out in your Letter of Offer.
- 3. Enclosed Security Deposit of SGD\$ [Amount].

For and on behalf of [name of Company]

Signature :	Name & Signature of Applicant (Developer/Owner)
Signature :	Name & Signature of Chief Financial Controller / Accounts Manager
Company Stamp:	
Date :	

Appendix 4

COMPUTATION OF SECURITY DEPOSIT FOR BALCONY BONUS GFA SCHEME

The method of determining the security deposit is using Buildability Premium of SGD\$100/sqm*.

Security Deposit = Buildability Premium x Maximum Permissible GFA for Bonus Balcony GFA

*based on study of recent projects which will be revised on 1 Mar and 1 Sep every year

Example

Private non-landed residential development with Maximum Permissible GFA of 50,000sqm and applying for Balcony Bonus GFA

Security Deposit	=	SGD\$100/sqm x	50,000sqm
For Balcony Bonus GFA			
	=	SGD\$5,000,000	

Security Deposit to be raised is **SGD\$5,000,000** (in terms of Cheque / Banker's Guarantee)

BALCONY BONUS GFA SCHEME APPLICATION FORM FOR RELEASE OF SECURITY DEPOSIT

PART 1 PARTICULARS OF PROJECT					
BCA Balcony GFA ref no:					
Development Name					
Description of Project & TS/MK No					
		TOP date			
Total GFA including all bonus GFA ⁷ (m ²)		Balcony Bonus GFA (m ²)			
Development Type:					
Residential (non-landed)					
Mixed-Use Developments	(t	please specify % GFA of the second seco	ne residential category)		
Achieved Buildable Design Score					
PART 2 PARTICULARS OF 1	THE APPLICANT (DE	EVELOPER / OWNER)			
Name of Firm					
Address					
Name of Contact Person		Contact no.			
Email					
PART 3 SUPPORTING DOCU	UMENTS				
Applicant shall submit the follow	ving supporting docum	ents together with this app	blication :		
i) As-Built Buildable D	Design Score				
PART 4 DECLARATION	PART 4 DECLARATION				
I/We certify that the particulars and the information given in this application are true and correct.					
*Name & Signature of Applicant	t Company Nan	ne & Stamp	Date		
(Developer/Owner)		•			

⁷ Total GFA including main building GFA, balcony and other bonus GFA e.g. Green Mark.