Exempt classification removed by
Monitoring Officer 03/10/25

Agenda Item 12a

Scheme Winnall Evaluation - Company Leasing Block B for 35 years

Date of Evaluation	01/09/2021			Undertaken by		Dick Johnson & Debbie Rhodes		
Property Type	FLAT	FLAT	HOUSE	FLAT	0	0	0	0
Bedsize	1	2	2	1	0	0	0	0
Number of units	14	18	3	41	0	0	0	0
Tenure	Shared Ownership	Shared Ownership	Shared Ownership	Other	0	0	0	0
70% MR								
Gross Rent per week	£64.16	£84.43	£125.51		FALSE	FALSE	FALSE	£0.00
Service Charge	£15.00	£15.00	£15.00		£0.00	£0.00	£0.00	£0.00
Net Rent Per Week	£64.16	£84.43	£125.51		£0.00	£0.00	£0.00	£0.00
LHA Per Week	£166.85	£197.92	£197.92		£0.00	£0.00	£0.00	£0.00
Does Not Exceed LHA	**YES**	**YES**	**YES**		**0**	**0**	**0**	**0**
Valuer	C.Jonas	C.Jonas	C.Jonas	C.Jonas	0	0	0	0
Date of Valuation	May-21	May-21	May-21	May-21	-	-	-	-
Market Rental Value	£850	£1,050	£1,267	£525	£0	£0	£0	£0
Property Valuation	£190,000	£250,000	£371,667	£190,000	£0	£0	£0	£0

Total Scheme Cost	**£19,289,750**		£19,289,750	£13,902,929	
Funded by			£253,812.51	£182,933.28	
Sales	£2,990,821				
HRA reserves	£0				
S106	£0				
Estate Improvement	£416,000				
CIL Funding	£755,000				
HE Grant	£1,225,000				
RTB Income	£0				
Net Scheme Cost	**£13,902,929**				
			Criteria		**Passes**
[1] Scheme NPV	£345,175		**> 0**		**YES**
[2] Scheme IRR	1.60%				
[3] Interest Cover					
Gross Income First Full Year	£458,778				
Interes 2.5%	£304,127	151%	**> 110%**		**YES**
[4] Scheme cost/Market value					
Market Value	£13,074,179	106%			
Net cost to HRA	£13,902,929				
[5] Can Scheme be cashflowed through HRA Business Plan					**YES**

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Winnall Evaluation - Company Leasing Block B for 35 years Evalutation Milestones

Stage	Delivery Timeframe	Time lapse (months)
Outline Business Case	Dec-19	
Public Consultation	Oct-20	10
Planning Application	Dec-20	2
Contract sum = tender	Apr-21	4
Detailed Design	Jun-21	2
Detailed business Case	Jun-21	0
Start on Site	Nov-21	5
Practical Completion	Aug-23	21
First Lets	Oct-23	2
Last Sales	Jan-24	3
		50

Operational Month to start plan	7
Months in First Year	5
Proportion	42%
	All Other Costs
Plan Starts	2023
	2024
	3
	42%

Major Works
2030
2031
10
1

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Scheme Name: **Winnall Evaluation - Company Leasing Block B for 35 years**

Date of Financial Evaluation: **01/09/2021**

Undertaken by: Dick Johnson & Debbie Rhodes

Financial Evaluation Starts: **20/21**

									Total
Property type	FLAT	FLAT	HOUSE	FLAT					
Number of bedrooms	1	2	2	1					6
units	14	18	3	41					76
Total new Beds	14	36	6	41	0	0	0	0	97
category	Shared Ownership	Shared Ownership	Shared Ownership	Other					
Retained ownership %age	64%	64%	64%	100%					
Shared ownership Dwellings	14	18	3	0	0	0	0	0	35
Shared Ownership Dwelling Equivalents	8.94	11.49	1.92	0	0	0	0	0	22.35
Current Market Sales Value	190,000	250,000	371,667	190,000	-	-	-	-	
Total Sales Income	961,400	1,626,429	402,993	-	-	-	-	-	2,990,821
Total Retained Capital Value	1,698,600	2,873,571	712,007	7,790,000	-	-	-	-	13,074,179
Total Development Value	2,660,000	4,500,000	1,115,000	7,790,000	-	-	-	-	16,065,000
Valuation Details									
Valuer	C.Jonas	C.Jonas	C.Jonas	C.Jonas					
Date of Valuation	May-21	May-21	May-21	May-21					
Rental Value per month	850	1,050	1,267	525					
Property Valuation	190,000	250,000	371,667	190,000					
If Social Housing - Complete									
Jan 1999 market value									
2020-21 Weekly Rent									
	-	-	-						-
Current full (100%) market rent - pcm	850	1,050	1,267	536	-	-	-	-	
Annual Market rent	10,200	12,600	15,200	6,426	0	0	0	0	
Gross Yield	5.4%	5.0%	4.1%	3.4%	0.0%	0.0%	0.0%	0.0%	
Weekly Market rent (Incl SC for Affordable)									
100% MR	64.16	84.43	125.51	123.58	FALSE	FALSE	FALSE	0.00	
90%,MR	64.16	84.43	125.51	123.58	FALSE	FALSE	FALSE	0.00	
80%,MR	64.16	84.43	125.51	123.58	FALSE	FALSE	FALSE	0.00	
75%,MR	64.16	84.43	125.51	123.58	FALSE	FALSE	FALSE	0.00	
70%,MR	64.16	84.43	125.51	123.58	FALSE	FALSE	FALSE	0.00	
65%,MR	64.16	84.43	125.51	123.58	FALSE	FALSE	FALSE	0.00	
60%,MR	64.16	84.43	125.51	123.58	FALSE	FALSE	FALSE	0.00	
55%,MR	64.16	84.43	125.51	123.58	FALSE	FALSE	FALSE	0.00	
50%,MR	64.16	84.43	125.51	123.58	FALSE	FALSE	FALSE	0.00	
LHA CAP 2020-21	166.85	197.92	197.92	166.85	0.00	0.00	0.00	0.00	
Gross Rental Values									
80% MR	46,712	79,023	19,580	263,466	0	0	0	0	408,781
75% MR	46,712	79,023	19,580	263,466	0	0	0	0	408,781
70% MR	46,712	79,023	19,580	263,466	0	0	0	0	408,781
65%,MR	46,712	79,023	19,580	263,466	0	0	0	0	408,781
60%,MR	46,712	79,023	19,580	263,466	0	0	0	0	408,781
55%,MR	46,712	79,023	19,580	263,466	0	0	0	0	408,781
50%,MR	46,712	79,023	19,580	263,466	0	0	0	0	408,781
Market Rent	**142,800**	**226,800**	**45,600**	**263,466**	**0**	**0**	**0**	**0**	678,666
LHA 2021 (MAX)	**120,495**	**183,771**	**30,629**	**355,724**	**0**	**0**	**0**	**0**	690,619
Selected rent for NPV									
70% MR	46,712	79,023	19,580	263,466	0	0	0	0	408,781
Voids and Bad debts	0.80%	0.80%	0.80%						
Net Rental Income Stream	46,338	78,391	19,424	263,466	0	0	0	0	407,618
Management Costs	0								
(Assumes Nil)	0	0	0	0	0	0	0	0	-
Repairs and Maint									
	0	0	0	0	0	0	0	0	-
Major Works									
REINSTATEMENT-BUILD COST									
%age to use	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	
Annual cost	-	-	-	-	-	-	-	-	
Total Cost	-	-	-	-	-	-	-	-	-
SC for Shared owners	1,064	1,400	2,081						
Service Charges per week	15	15	15						
SC per year	780	780	780	0	0	0	0	0	
	10,920	14,040	2,340	0	0	0	0	0	27,300

	2020 2021 **year 0**	2021 2022 **year 1**	2022 2023 **year 2**	2023 2024 **year 3**	2024 2025 **year 4**	**Capital Costs**
Capital costs						
Works		7,601,178	7,601,178			15,202,356
Land		245,000	467,400			712,400
Fees	764,303	403,481	403,481			1,571,264
SDLT						-
Contingency		401,865	401,865			803,730
Total Eligible works	764,303	8,651,524	8,873,924	-	-	18,289,750
Ineligible costs		500,000	500,000			1,000,000
Total Scheme Costs	764,303	9,151,524	9,373,924	-	-	19,289,750

Is Scheme Eligible for RTB 1-4-1 **NO**

	2020 2021 **year 0**	2021 2022 **year 1**	2022 2023 **year 2**	2023 2024 **year 3**	2024 2025 **year 4**	**Capital Income**
Income						
Sales				2,990,821		2,990,821
HRA reserves						-
S106						-
Estate Improvement		208,000	208,000			416,000
CIL Funding			755,000			755,000
HE Grant		918,750	306,250			1,225,000
RTB Income	-	-	-	-	-	-
	-	1,126,750	1,269,250	2,990,821	-	5,386,821

Global Inputs

Increase in costs (RPI)	3.00%
Increase in Income (CPI)	2.00%
Increases in Rents to 2025-26	3.00%
Increase in Rents after year 5	2.00%
Include Residual Social Housing EUV in NPV	**yes**
PWLB borrowing rate 30 Years	2.50%
Discount rate	2.50%
House Price inflation	0.00%
Business Planning period	35

NET SCHEME CAPITAL COST	**13,902,929**
GROSS DEVELOPMENT COST	**19,289,750**

	Units	**Bedspace**
	76	97
Gross Capital Costs	253,813	198,863
Net Capital Cost	182,933	143,329

0

Base Assumptions

Cost of Management	Nil
Cost of Repairs	469
Cost of Major Works	0.80%
Rent on unowned SO Equity	2.75%