

CONFIDENTIAL

**Epping Forest District Council
Investment Report**

Decision Item



**Epping Forest
District Council**

www.eppingforestdc.gov.uk

Report to	
Agenda item / date	
Delegated Authority	

Subject	
Funding	
Author	

1.0	Executive Summary
1.1	
2.0	Scheme Description
2.1	The Site
2.2	The Opportunity e.g to deliver a development of xxx affordable rented units in xxxx
2.4	Current Use Formally garages, since demolished.
2.5	Details
2.6	Costs
2.7	Subsidy

2.8 Design

3.0 Scheme Status

3.1 What stage is the scheme at?

3.2 Has a price been agreed with the vendor?

3.3 Does the scheme have Planning Consent?

3.4 Has the Local Authority been consulted?

3.5 Have the Build Costs been market tested?

3.6 What are the terms of any purchase agreement?

3.7 Grant per unit and per person in line with published parameters?

4.0 Strategic Fit

4.1 The scheme complies with the EFDC Development Strategy, particularly as this will provide a large number of affordable family units.

The land is owned by EFDC and the redevelopment will eliminate a current ASB problem and provide new housing for xxxx residents on the Council waiting list.

4.2 External Strategies: The scheme meets the needs of the Council and local resident profile by providing affordable family housing and also complies with the BIP.

5.0 Design & Sustainability

5.1 All units will meet the Essex Housing Design Guide and will be built to Code for Sustainable Homes Level x. It is our intention to deliver a scheme with 30% of family housing across all tenures and 10% wheelchair units. The numbers of units to be dual aspect will be maximised.

6.0 Internal Client Sign Off

6.1 Finance

6.2	Housing management
6.3	Property Services
6.4	Rents and service charges
6.5	Legal
6.6	

7.0 Mix of Units

7.1 The EFDC element of the scheme disaggregates as follows:-

	Beds	Persons	Tenure	Size sqm	Rent p/w	Service costs p/w	Nr. Units
	1	2	Affordable Rent	50			5
	2	4	Affordable Rent	70			9
	3	5	Affordable Rent	86			8
	4	7	Affordable Rent	103			2
	5	8	Affordable Rent	120			2
			Total Affordable Rent				26
	1	2	NBHB	50			4
	2	4	NBHB	70			5
	3	5	NBHB	86			3
			Total NBHB				12
			TOTAL AFFORDABLE UNITS				38

8.0 Financial Information

8.1 Comments of the Financial Controller.

	Financial Measure	Value
8.2	Financial Measure	Value
8.3	Target IRR	
8.4	Internal Rate of Return	
8.5	Net Present Value	
8.6	Cumulative break-even year	
8.7	Cost Value Ratio	
8.8	Total Scheme Cost	

8.9	Acquisition			
8.10	Works Cost			
8.11	Total on costs			
8.12	Relet Subsidy (Total)			
8.13	Total Loan Requirement			
8.14	Net Loan per unit			
8.15	First year surplus/(deficit)			
	Ten year average			
8.16	Social Housing Grant			
8.17	Recycled Funding			
8.18	Other Public Subsidy			
8.19	<u>Sensitivity Analysis</u>			
	Change	Rate	IRR	NPV
	None	n/a		
	Market Value	-10%		
		-20%		
	Grant	-5%		
		-10%		
	Staircasing	-5%		
		-10%		
	Scheme Costs	+5%		
		+10%		

9.0	Scheme Details	
	Contractor	
	Architect	
	Legal Team	
	Community Space	
	Commission Design	
	Design Agreed	

	Planning Submitted	
	Planning Approved	
	Land acquisition	
	Grant Confirmation (HCA funded)	
	Site possession	

10.0	Key Risks
10.1	Revenue Risks: Mitigation:
10.2	Capital Risks: Mitigation:
10.3	Reputational Risks: Mitigation:
10.4	Programme Risks: Mitigation:
10.5	Quality Risks: Mitigation:
10.6	Legal: Mitigation:
10.7	Political: Mitigation:
10.8	Procurement: Mitigation:
10.9	Taxation issues <ul style="list-style-type: none"> • SDLT – • VAT - • Corporation Tax –

Recommendation	<i>(Insert name of committee) are being asked to:</i>
Details	<ol style="list-style-type: none"> 1. Approve, subject to the satisfactory completion of the due diligence process :- <ul style="list-style-type: none"> • Commitment to potentially abortive fees up to £xxx to allow the progression of the purchase due diligence, legal fees, design costs, planning application, site surveys, and concomitant professional advise. • Entering into a build contract with xxxxxx; and • A total scheme budget of xxxxxxx

<p><u>Appendices</u></p> <p>Location Map</p> <p>Financial appraisal model</p> <p>Floor plans and elevations</p>
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