

Agenda Item No: 9

Report To: Cabinet

Date of Meeting: 24th June 2021

Report Title: Net carbon zero short-stay accommodation proposal

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Development Partnership Manager, and Development and Regeneration Manager

Portfolio Holder Cllr. Bill Barrett
Portfolio Holder for: Housing



Summary: Like all local authorities in the country, Ashford accepts a duty to many homeless people. Under the Homelessness Reduction Act the Council has a legal duty to provide anybody who is homeless, or threatened with homelessness, with advice and appropriate assistance. This can of course include through the provision of temporary accommodation.

The Council already has two short-stay accommodation facilities in the borough in South Ashford – at Christchurch House and Christchurch Lodge. These have so far helped 194 households at a truly vulnerable time in their lives and have given them an opportunity to start again, to progress from there into accommodation suitable for them.

However, with around 100 people still in some form of paid-for nightly accommodation, placements which cost the Council and the taxpayer an average of £260 per week, the Council is still looking to increase the number of short-stay facilities in its stock in tandem with increasing the number of homes it has available as ‘move-on’ accommodation.

Therefore, the Council is seeking to rethink existing land use in Ashford by building an imaginative project on the much underutilised car park at Henwood. This demonstrates how innovation can help solve a housing issue while providing attractive, net-zero carbon homes. It will, in the long-term, provide a far more compassionate solution to those families who are at an already traumatic time in their lives, and it will save £5.284m over the life of the project and an internal rate of return (IRR) of 6.60%.

This report is presented to Cabinet to notify members of the formal planning application that is due to be submitted, seek endorsement of the site’s potential alternative use and update them as to progress on the project to date.

Key Decision: YES

Significantly Affected Wards: Furley

Recommendations: The Cabinet is recommended to:-

- I. Note the content of the report and the fact that an application is being made to planning
- II. Endorse the exploration of the potential use of the car park at Henwood, mindful that the scheme proposed is subject to formal planning consent being obtained
- III. Expenditure on the project shall not be incurred until planning permission has been achieved with the exception of £70,000 of preparation works that will be undertaken at risk
- IV. Allocate funding in accordance with the proposed budget of £4.7m to ensure the delivery of the scheme with such funding to be met from the use of reserves and borrowing the extent of which is to be determined by the Deputy Chief Executive.
- V. To agree that ZedPods are accessed from the LHC framework, an external procurement framework.
- VI. To delegate to the Head of Corporate Property & Projects and Head of Housing and Solicitor to the Council and Monitoring Officer to complete all necessary agreements that would need to be completed in order to expedite the above recommendations

Policy Overview: Building on solid foundations: delivering affordable homes in Ashford – our delivery plan for 2019-2023

Housing Strategy Framework Priority 1 – Improve the supply of affordable housing to meet local housing needs in urban and rural areas, and Housing Statement 2018-2023

Reform of Housing Revenue Account (HRA) – Cabinet endorsed five key priorities for further spend, as a result of greater freedom within the HRA.

National Housing Strategy 2011 – delivering new homes under the affordable rent model.

A Charter For Social Housing Residents – Social Housing White Paper 2020.

A Guide to Developing Affordable Homes in Rural Communities (Kent Housing Group [KHG]) – February 2021

Financial Implications: The total cost of the project is set to be £4.7m and given that it is a short-stay accommodation facility the project will sit in the Council's General Fund, though it is being organised through HRA human resource as part of the HRA's wider

corporate commitment. The project was included in the Capital Plan of the last Budget report that was considered by members. The project has been viability tested and the anticipated savings (in today's money) over the life of the project are £5.284m and an internal rate of return (IRR) of 6.60% (this is shown in **Appendix B**)

The £70,000 of works to be undertaken at risk are in connection with the work undertaken by consultants in terms of site surveys and nutrient neutrality work, limited design work being undertaken by the contractor and the fees for the planning application.

Legal Implications: It is unlikely that Homes England grant will be available for this project, given the nature of the type of accommodation being provided. Conversations have already been held with Homes England on this matter. Were any other funding sources to come to light then the legal implications of these would be factored into programming at the appropriate time.

Equalities Impact Assessment: See attached **Appendix A**

Data Protection Impact Assessment: Assessment on the impact on data protection will be undertaken at the appropriate time

Risk Assessment (Risk Appetite Statement): A viability risk assessment has been undertaken on this acquisition and the invest-to-save nature of this project. Further evaluations of risk will be undertaken at the appropriate time during the project build but the principle of the use of the site has been agreed by officers and members are now asked to endorse further exploration of this in planning terms.

Sustainability Implications: Under the Corporate Plan one of the three emerging themes is 'Green Pioneer' citing the Council's ambition for carbon neutrality. The Council is seeking to deliver a net-zero project here as outlined in the report using modern methods of construction (MMC). The project will be bound by the s106 in terms of its green credentials but its sustainability will be further assessed during the build process.

Other Material Implications: Local Plan Policies and Supplementary Planning Documents (SPDs), Lifetime Homes (a standard the Council has set out for Registered Social Landlords) and Code for Sustainable Homes level 3 (which has been committed to for Homes England purposes), and level 4 on energy. Emphasis on the building envelope will deliver the greatest benefits for landlord and tenant.

Exempt from Publication: **No**

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Report Title:

Introduction and Background

1. Through innovation and foresight, Ashford Borough Council already has two short-stay accommodation facilities within its ownership. These are Christchurch House and Christchurch Lodge in South Ashford. These facilities have seen 194 homeless households pass through, arriving at a traumatic time in their lives and leaving with hope and somewhere presented to them that will enable them to hopefully rebuild their lives and start afresh.
2. Homelessness in the Ashford borough is still at pre-coronavirus levels. Of course, there was a spike at the beginning of the pandemic where numbers rose to approaching 150 households, but this has returned to around 100 once again. These 100 households are still in some form of paid-for nightly accommodation. Homelessness placements cost the Council and the taxpayer an average of £260 per week, though of course the social toll on those households is immeasurable. Therefore, the Council is still seeking to increase the number of short-stay facilities it has, in tandem with increasing the number of homes it has available as 'move-on' accommodation. The more homes it has that can offer a permanent solution to the households to whom it accepts a homelessness duty, the more resilient its short stay accommodation facilities will become.
3. It is important to state at the outset that homelessness is not the same as rough sleeping. People who are homeless may be displaced because they have lost their job or been evicted from their existing rental property, they may be fleeing domestic violence, a relationship breakdown, or just have lost their way in life through a vulnerability of addiction. They may even be 'sofa-surfing' with no permanent home or having irrevocably fallen out with family.
4. There is evidently a need for more Council owned and run temporary accommodation but opportunities and locations to provide these are few. Connectivity to amenities is important and so that limits the amount of locations available. Moreover, despite the success of Christchurch House and Christchurch Lodge, house conversions are complex and not as cost effective as other solutions. Furthermore, they only provide a relatively small number of rooms, even if suitable properties are found. The issue therefore needs to be solved more creatively, hence the idea of a modular solution being explored.
5. The modular solution proposed would provide a net-zero project, the first in the borough, and more than double the number of units of accommodation that the Council has available to it to assist those in times of housing crisis.

Proposal

Design

6. It is important to state that the housing service is seeking Cabinet members' endorsement to pursue this option in accordance with the way in which it

approaches Cabinet to pursue new land options in its HRA affordable homes programme, but that everything detailed is subject to planning permission being obtained. In no way does this report seek to influence the planning committee as that process is entirely independent of this process and must remain so. This report is purely provided for members to note. It is for housing services to make the case for the proposed development to all stakeholders, including planning officers and committee.

7. This proposed solution will provide short-stay accommodation for homelessness clients for approximately six to 26 weeks and form part of a prescribed housing pathway linked to the client's personal housing plan. It will make much better use of the Council's under-performing car park at Henwood and is a convenient location in terms of accessing facilities for its residents.
8. Taking figures from before the pandemic, Henwood Car Park operates at around 20% capacity and has been at this level for many years. Taking this into account there will not be a negative financial impact on the Council's revenue into the General Fund by removing this facility. There are six season ticket holders from businesses on Henwood currently, so this option would have to be ceased or an alternative car park offered to them.
9. It is proposed that it will comprise 23 units of short-stay accommodation and the mix will be 12 x one-bedroom, 10 x two bedroom, and one x three-bedroom home, which will ensure it is manageable and a mix of households can be placed there. It will have full site accessibility as well. There will still be 31 car parking spaces retained as part of the proposals for the residents of the project.
10. Importantly, the facility would be owned and managed by the Council and the project initiation document made allowances in the budget for there to be dedicated officers managing the facility.
11. With regards the design of the proposal, the residential units are elevated to maintain a greater proportion of the car park, which is the unique selling point of the ZedPods product. In this specific case the elevated nature of each home also mitigates against flooding as the site sits in part of flood zone 3. Of course, the design of the site ensures that a safe escape is possible in the unlikely occurrence of a flooding event. The provider of the homes states that they will withstand even the most extreme 100-year (plus climate change) flooding event. In agreeing this report, members will be agreeing to the Council accessing ZedPods from the popular LHC framework. This matter has already been agreed by procurement officers.
12. There will be good levels of landscaping and green communal space and all relevant considerations around bin and bike stores, utilities and services, as well as nutrient neutrality mitigation solutions have been factored into the proposals that will be presented.
13. The proposed scheme comprises apartments that meet nationally described space standards. Being MMC, they are prefabricated, which offers a quick, accurate, efficient high-quality build, and provides very low energy housing. The scheme will be engineered on a 2.4m high platform that negates the concerns of it being in a flood zone. This innovative, award-winning

development will address affordable homes supply on a hard-standing, 'increasing' land supply, bringing forward difficult-to-develop land and de-linking land cost with the built cost.

Modular construction

14. The Council considered a number of options for this modular scheme, but there were concerns that containerised temporary accommodation that has received much publicity in recent times was not going to have the traditional aesthetics expected of residential accommodation, despite being located on the edge of an industrial estate.
15. Additionally, asking Ashford residents to live for several weeks in a converted shipping container, which does not abide by the national space standards was also potentially morally problematic. Though those homes have a place for temporary usage, an alternative solution has been found that addresses both the Council's continued carbon neutrality ambitions as well as resolving the homelessness issues for these households and financial implications for the authority.
16. The proposal is from ZedPods, a provider of homes through MMC. The homes would be largely constructed offsite and have BOPAS accreditation (Build Offsite Property Assurance Scheme), which mean they have passed a standard that is acceptable to mortgage lenders, and are of robust construction to last a minimum of two mortgage cycles.
17. The procurement of ZedPods, who have delivered schemes with local authorities, notable Bristol and Bromley, will be through the LHC framework as it is a specialised product and the Council will be looking for a direct award due to the bespoke design. This hypothesis has been detailed to the Council's procurement team who have sanctioned the approach.

Carbon neutrality

18. The headline of the proposal is that it puts forward innovative development that meets the Council's commitment to deliver net-zero carbon housing in the borough, as well as helping increase the resilience of our temporary accommodation for homeless households.
19. The technical and environmental aspect of the precision engineered solution will result in low energy bills. ZedPods are experienced and have delivered other successful schemes in Bromley and Maidstone. The 'fabric first' approach and renewable technologies keep utility costs low. ZedPods schemes are permanent buildings with 60-year BOPAS assurance and new-build warranty. The company already designs with future compliance in mind.

Progress to date

20. The proposal received constructive but positive pre-application advice in May 2021. Further to this Cabinet report, the plan is to consult the local community. The Council always does this ahead of any of its planning applications being submitted to canvass the views of local residents and in this case businesses. Given that the Council is unable to appeal if the application were to be refused by planning committee, it is therefore paramount that the views and feedback of the local community are fully woven into the final submission. Once those comments have been received

and the final application prepared it will be submitted and housing services will await the decision by planning committee – as all housing applications go to committee of course.

Long term options

21. Based on current figures, it is unlikely that there would ever need to be an exit strategy for an alternative use for the units being provided here – in addition to our other provision at Christchurch House and Lodge. However, were the situation ever to change with regards the need for temporary accommodation in the future, these units could be used for longer term, general needs accommodation. The business case for the development advocates a permeant change of use, which is what the planning application would seek. If required, a proportion of the site could still be used for paid-for parking because of the elevated accommodation.

Equalities Impact Assessment

22. Members will note the equalities impact assessment appended to this report at **Appendix A**. No adverse impacts are shown as a result of the assessment.

Consultation Planned or Undertaken

23. Consultation is being carried out in May and June 2021. This is the pre-planning consultation that the Council always undertakes on its sites before planning applications are submitted. A second consultation will be held with the residential and business community as part of the formal planning application process. The Council's housing services team has discussed and presented the option to the ward members for Furley ward.

Other Options Considered

24. The Council could of course choose not to commission the build of these units, but for the reasons illustrated above that would represent several missed opportunities. Notably the missed opportunities to:
 - make use of the under-performing car park
 - invest in a project that will save a significant sum for the General Fund each year
 - deliver a net zero carbon project
 - deliver a strong solution that reduces the social toll on households who find themselves in difficult times

Reasons for Supporting Option Recommended

25. If the Council has its own facilities that can house residents at what is a traumatic time in their lives it works best for everyone. Those residents do not have to live out of suitcases and be out of their rooms all day and the taxpayer and the Council are not funding other providers of temporary accommodation, which in turn puts a financial pressure on the Council's General Fund.

26. Of course, this work is done in tandem with acquiring homes that can be used as move-on accommodation. It is imperative that the Council continues to build and acquire homes to enable people who are in these homes to move into, creating housing pathways. The Council's street purchase programme has previously been developed for this very purpose and though the pressures of spending 1-4-1 monies have reduced, as identified to Cabinet members in the HRA Business Plan update in December 2020, the development team are still actively looking at opportunities to acquire suitable smaller properties for this purpose, as well as larger homes that could house larger families on the housing register who are waiting for properties that seldom arise through s106 agreements.

Next Steps in Process

27. If members note this report and endorse the approach of potentially making use of Henwood Car Park, subject to planning permission, then community consultation will be undertaken by the Council and the developer involved and, subject to reviewing the feedback and incorporating the comments into the final application, the submission will be made.

Conclusion

28. It is therefore proposed that housing continue to explore the possibility of progressing this net-zero carbon temporary accommodation project and progress the project to community consultation as outlined above, with a view to submitting a revised, formal application.

Portfolio Holder's Views

29. I firmly support the proposals being put forward here and would wholeheartedly endorse the approach being taken to rethink the use of Henwood Car Park. As we've seen with the facility at Christchurch House and will see at Christchurch Lodge these projects have made a tremendous difference to those who have had to call upon them. To have them in our ownership and management is important.
30. We will await the findings of the public consultation and we will then await the formal view of planning committee. However, this report illustrates the intention that the Council has to better improve the circumstances of people at a difficult time in their lives, find innovative ways to reduce the financial pressure that homelessness has on the General Fund, and that the HRA has to support wider corporate goals.

Contact and Email

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Equality Impact Assessment

1. An Equality Impact Assessment (EIA) is a document that summarises how the council has had due regard to the public sector equality duty (Equality Act 2010) in its decision-making. Although there is no legal duty to produce an EIA, the Council must have **due regard** to the equality duty and an EIA is recognised as the best method of fulfilling that duty. It can assist the Council in making a judgment as to whether a policy or other decision will have unintended negative consequences for certain people and help maximise the positive impacts of policy change. An EIA can lead to one of four consequences:
 - (a) No major change – the policy or other decision is robust with no potential for discrimination or adverse impact. Opportunities to promote equality have been taken;
 - (b) Adjust the policy or decision to remove barriers or better promote equality as identified in the EIA;
 - (c) Continue the policy – if the EIA identifies potential for adverse impact, set out compelling justification for continuing;
 - (d) Stop and remove the policy where actual or potential unlawful discrimination is identified.

Public sector equality duty

2. The Equality Act 2010 places a duty on the council, when exercising public functions, to have due regard to the need to:
 - (a) Eliminate discrimination, harassment and victimisation;
 - (b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it (ie tackling prejudice and promoting understanding between people from different groups).

Appendix A to Net zero short-stay accommodation report for June 2021

3. These are known as the three aims of the general equality duty.

Protected characteristics

4. The Equality Act 2010 sets out nine protected characteristics for the purpose of the equality duty:
 - Age
 - Disability
 - Gender reassignment
 - Marriage and civil partnership*
 - Pregnancy and maternity
 - Race
 - Religion or belief
 - Sex
 - Sexual orientation

*For marriage and civil partnership, only the first aim of the duty applies in relation to employment.

Due regard

5. Having 'due regard' is about using good equality information and analysis at the right time as part of decision-making procedures.
6. To 'have due regard' means that in making decisions and in its other day-to-day activities the council must consciously consider the need to do the things set out in the general equality duty: eliminate discrimination, advance equality of opportunity and foster good relations. This can involve:
 - removing or minimising disadvantages suffered by people due to their protected characteristics.
 - taking steps to meet the needs of people with certain protected characteristics when these are different from the needs of other people.
 - encouraging people with certain protected characteristics to participate

in public life or in other activities where it is disproportionately low.

7. How much regard is 'due' will depend on the circumstances. The greater the potential impact, the higher the regard required by the duty. Examples of functions and decisions likely to engage the duty include: policy decisions, budget decisions, public appointments, service provision, statutory discretion, decisions on individuals, employing staff and procurement of goods and services.
8. In terms of timing:
 - Having 'due regard' should be considered at the inception of any decision or proposed policy or service development or change.
 - Due regard should be considered throughout development of a decision. Notes shall be taken and kept on file as to how due regard has been had to the equality duty in research, meetings, project teams, consultations etc.
 - The completion of the EIA is a way of effectively summarising this and it should inform final decision-making.

Case law principles

9. A number of principles have been established by the courts in relation to the equality duty and due regard:
 - Decision-makers in public authorities must be aware of their duty to have 'due regard' to the equality duty and so EIA's must be attached to any relevant committee reports.
 - Due regard is fulfilled before and at the time a particular policy is under consideration as well as at the time a decision is taken. Due regard involves a conscious approach and state of mind.
- A public authority cannot satisfy the duty by justifying a decision after it has been taken.
- The duty must be exercised in substance, with rigour and with an open mind in such a way that it influences the final decision.

- The duty is a non-delegable one. The duty will always remain the responsibility of the public authority.
- The duty is a continuing one so that it needs to be considered not only when a policy, for example, is being developed and agreed but also when it is implemented.
- It is good practice for those exercising public functions to keep an accurate record showing that they have actually considered the general duty and pondered relevant questions. Proper record keeping encourages transparency and will discipline those carrying out the relevant function to undertake the duty conscientiously.
- A public authority will need to consider whether it has sufficient information to assess the effects of the policy, or the way a function is being carried out, on the aims set out in the general equality duty.
- A public authority cannot avoid complying with the duty by claiming that it does not have enough resources to do so.

The Equality and Human Rights Commission has produced helpful guidance on "Meeting the Equality Duty in Policy and Decision-Making" (October 2014). It is available on the following link and report authors should read and follow this when developing or reporting on proposals for policy or service development or change and other decisions likely to engage the equality duty. [Equality Duty in decision-making](#)

Lead officer:	Mark James
Decision maker:	Cabinet
Decision: <ul style="list-style-type: none"> • Policy, project, service, contract • Review, change, new, stop 	<p>The Cabinet is recommended to:</p> <p>Note the content of the report and the fact that an application is being made to planning</p> <p>Endorse the exploration of the potential use of the car park at Henwood, mindful that the scheme proposed is subject to formal planning consent being obtained</p> <p>Subject to planning permission being granted, to proceed with the spend that will deliver the project, as per the Capital Plan</p>
Date of decision: The date when the final decision is made. The EIA must be complete before this point and inform the final decision.	24 th June 2021
Summary of the proposed decision: <ul style="list-style-type: none"> • Aims and objectives • Key actions • Expected outcomes • Who will be affected and how? • How many people will be affected? 	<p>Note the content of the report and the fact that an application is being made to planning</p> <p>Endorse the exploration of the potential use of the car park at Henwood, mindful that the scheme proposed is subject to formal planning consent being obtained</p> <p>Subject to planning permission being granted, to proceed with the spend that will deliver the project, as per the Capital Plan.</p>
Information and research: <ul style="list-style-type: none"> • Outline the information and research that has informed the decision. • Include sources and key findings. 	<p>Building on solid foundations: delivering affordable homes in Ashford – our delivery plan for 2019-2023</p> <p>Housing Strategy Framework Priority 1 – Improve the supply of affordable housing to meet local housing needs in urban and rural areas, and Housing Statement 2018-2023</p> <p>Reform of Housing Revenue Account (HRA) – Cabinet endorsed five key priorities for further spend, as a result of greater freedom within the HRA.</p> <p>National Housing Strategy 2011 – delivering new homes under the affordable rent model.</p> <p>A Charter For Social Housing Residents – Social Housing White Paper 2020.</p> <p>A Guide to Developing Affordable Homes in Rural Communities (Kent Housing Group [KHG]) – February 2021</p>
Consultation: <ul style="list-style-type: none"> • What specific consultation has occurred on this decision? 	<p>Consultation has taken place with colleagues in Finance, the Housing Development Team and Corporate Property Services, Parking, Highways and Transportation Services, plus with Directors and Management Team.</p> <p>A consultation will take place with the community (both residential and business given the location of this proposed</p>

<ul style="list-style-type: none"> • What were the results of the consultation? • Did the consultation analysis reveal any difference in views across the protected characteristics? • What conclusions can be drawn from the analysis on how the decision will affect people with different protected characteristics? 	<p>site) once members have established the principle of exploring the use of the car park further.</p> <p>The ward members have been notified.</p> <p>Comments received during the consultation will inform the project build going forward.</p> <p>There are no adverse impacts on any individuals as a result of this proposal.</p>
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Assess the relevance of the decision to people with different protected characteristics and assess the impact of the decision on people with different protected characteristics.

When assessing relevance and impact, make it clear who the assessment applies to within the protected characteristic category. For example, a decision may have high relevance for young people but low relevance for older people; it may have a positive impact on women but a neutral impact on men.

Protected characteristic	Relevance to Decision High/Medium/Low/None	Impact of Decision Positive (Major/Minor) Negative (Major/Minor) Neutral
<u>AGE</u> Elderly	Low	Positive (minor)
Middle age	Medium	Positive (major)
Young adult	Medium	Positive (major)
Children	Medium	Positive (major)
<u>DISABILITY</u> Physical	None	Neutral
Mental	None	Neutral
Sensory	None	Neutral
<u>GENDER RE-ASSIGNMENT</u>	None	Neutral
<u>MARRIAGE/CIVIL PARTNERSHIP</u>	None	Neutral
<u>PREGNANCY/MATERNITY</u>	None	Neutral
<u>RACE</u>	None	Neutral
<u>RELIGION OR BELIEF</u>	None	Neutral
<u>SEX</u> Men	None	Neutral

Women	None	Neutral
<u>SEXUAL ORIENTATION</u>	None	Neutral

<p>Mitigating negative impact:</p> <p>Where any negative impact has been identified, outline the measures taken to mitigate against it.</p>	<p>There are no negative impacts on any of the groups with protected characteristics. As homelessness can affect anyone, but primarily affects middle-aged and young adults, these have been assessed as a medium priority, children in homeless families may also be affected to this degree.</p>
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<p>Is the decision relevant to the aims of the equality duty?</p> <p>Guidance on the aims can be found in the EHRC's Essential Guide, alongside fuller PSED Technical Guidance.</p>	
Aim	Yes / No / N/A
1) Eliminate discrimination, harassment and victimisation	N/A
2) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it	N/A
3) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it	N/A

<p>Conclusion:</p> <ul style="list-style-type: none"> Consider how due regard has been had to the equality duty, from start to finish. There should be no unlawful discrimination arising from the decision (see guidance above). Advise on whether the proposal meets the aims of the equality duty or whether adjustments have been made or need to be made or whether any residual impacts are justified. How will monitoring of the policy, procedure or decision and its 	<p>Due regard has been considered throughout this proposal to each protected group.</p> <p>No unlawful discrimination has arisen from the decision.</p> <p>The effect on the elements of the community affected will be positive due to the aims of the programme delivery. No adjustments required.</p> <p>The Council's adherence to the Homelessness Reduction Act will be followed and any subsequent allocations into move-on</p>
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implementation be undertaken and reported?	accommodation will be carefully managed at the point that other properties are ready to be let.
EIA completion date:	14 th May 2021

Financial Model - Henwood 23 units (12*1 Bed - 10*2 Bed - 1 * 3 Bed)

		2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	
	Year	0	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Capital Cost	Purchases	(4,700,000)															
Total Capital Cost		(4,700,000)															
Asset Life (years)		40															
Interest Rate		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Inflation		0.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Year	0	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Outgoings for Property Company																	
Maintenance allowance	23 500	£500 Per Unit	(14,299)	(14,585)	(14,876)	(15,174)	(15,477)	(15,787)	(16,103)	(16,425)	(16,753)	(17,088)	(17,430)	(17,779)	(18,134)	(18,497)	(18,867)
Staffing Costs		1.5 Posts as SCP 14-17 (TBC)	(44,761)	(45,657)	(46,570)	(47,501)	(48,451)	(49,420)	(50,409)	(51,417)	(52,445)	(53,494)	(54,564)	(55,655)	(56,768)	(57,904)	(59,062)
Forgone Parking Income			(12,185)	(12,429)	(12,677)	(12,931)	(13,190)	(13,453)	(13,722)	(13,997)	(14,277)	(14,562)	(14,854)	(15,151)	(15,454)	(15,763)	(16,078)
Capital Works	10.0%	of Rental Income	(17,341)	(17,515)	(17,690)	(17,867)	(18,045)	(18,226)	(18,408)	(18,592)	(18,778)	(18,966)	(19,155)	(19,347)	(19,540)	(19,736)	(19,933)
Bad Debt and Voids	2%	of Rental Income only (not office)	(3,468)	(3,503)	(3,538)	(3,573)	(3,609)	(3,645)	(3,682)	(3,718)	(3,756)	(3,793)	(3,831)	(3,869)	(3,908)	(3,947)	(3,987)
Sub total			(92,055)	(93,688)	(95,351)	(97,046)	(98,773)	(100,531)	(102,323)	(104,149)	(106,009)	(107,904)	(109,834)	(111,801)	(113,805)	(115,846)	(117,927)

Income for ABC																		
	Site	Bedrooms	Type of Property															
	Residential	N/a	Rent Chargeable - Payable Benefit	173,411	175,145	176,897	178,666	180,453	182,257	184,080	185,920	187,780	189,657	191,554	193,470	195,404	197,358	199,332
			Saving on TA costs	246,554	251,485	256,515	261,645	266,878	272,215	277,660	283,213	288,877	294,655	300,548	306,559	312,690	318,944	325,322
			Total Rental Income	419,965	426,630	433,411	440,311	447,330	454,472	461,739	469,133	476,657	484,312	492,102	500,028	508,094	516,302	524,654
			Financing costs capitalised															
			Total	419,965	426,630	433,411	440,311	447,330	454,472	461,739	469,133	476,657	484,312	492,102	500,028	508,094	516,302	524,654
			Net Revenue before financing	327,910	332,943	338,060	343,265	348,558	353,941	359,416	364,984	370,648	376,408	382,267	388,227	394,289	400,455	406,728

Financing Costs																	
Interest and capital - 40 year annuity			(171,812)	(171,812)	(171,812)	(171,812)	(171,812)	(171,812)	(171,812)	(171,812)	(171,812)	(171,812)	(171,812)	(171,812)	(171,812)	(171,812)	(171,812)

Net Revenue	Net Revenue after financing	156,098	161,131	166,248	171,453	176,746	182,129	187,604	193,172	198,836	204,596	210,455	216,415	222,477	228,643	234,916
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NPV	2.00%	(4,700,000)	258,555	257,375	256,207	255,051	253,905	252,771	251,648	250,536	249,435	248,345	247,266	246,197	245,138	244,090	243,052
	5,284,236.38																

IRR	6.60%
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