

To:
All members of the
Council

Please reply to:

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Date: 21 January 2021

Supplementary Agenda

Council - Thursday, 21 January 2021

Dear Councillor

Please find enclosed the slides that will accompany a verbal presentation given by the Group Head of Regeneration and Growth in relation to the below item.

3. Capital Budgets for Council Development Programme

3 - 14

To consider a report on the Capital Budgets for Council Development Programme.

The appendices to this report contain exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006:

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because, disclosure to the public would prejudice the financial position of the authority.

Yours sincerely

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Committee Services

To the members of the Council

Councillors:

C.F. Barnard (Mayor)
M.M. Attewell
C.L. Barratt
R.O. Barratt
C. Bateson
I.J. Beardsmore
J.R. Boughtflower
A. Brar
S. Buttar
R. Chandler
N.L. Cornes
J.H.J. Doerfel
J.T.F. Doran

S.M. Doran
R.D. Dunn
S.A. Dunn
T. Fidler
N.J. Gething
M. Gibson
K.M. Grant
A.C. Harman
H. Harvey
I.T.E. Harvey
N. Islam
T. Lagden
V.J. Leighton

M.J. Madams
J. McIlroy
A.J. Mitchell
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R.J. Noble
O. Rybinski
D. Saliagopoulos
J.R. Sexton
R.W. Sider BEM
V. Siva
R.A. Smith-Ainsley
B.B. Spoor
J. Vinson



Extraordinary Council Meeting

Capital Budgets for Council Development Programme

21 January 2021

Decision making process



ECM will look at each of the six sites on the agenda in detail and make a decision on whether these should be in the Capital Programme for adoption at February Council.



Full Council meeting 25 February 2021
Part of the Capital Programme 2021/22 – 2024/25 and Capital Strategy 2021
No increase in borrowing limit required

What is the decision to be made?



ECM are *only* deciding on financial and budgetary provision



ECM is *not* able to decide on the detail of the schemes (e.g. height, bulk, number)

Sites for consideration at ECM



Capital sums being requested



Ceaser Court Phase 2
£14.6m
£6.3m

Thameside House
£46.45m

Ashford MSCP
£10m

Oast House
£77.678m

Tothill car park
£8m

William Hill
£8m

Affordable housing information



Location	Stage	Accommodation type
Ceaser Court phase 2 (39 units)	Planning	Can be 50% affordable, remainder to be private rented
Thameside House (140 units)	Planning	50% affordable, 50% private rented
Ashford multi-storey car park (potential 48 units)	Feasibility	100% affordable
Oast House (potential 217 units plus creative workspace and potential theatre)	Feasibility	100% affordable
Tothill car park (potential 250 units plus commercial and retail)	Feasibility	50% affordable, 50% private rented
William Hill/Vodaphone (14 units)	Feasibility	100% affordable

Housing schemes pipeline (where all costs are known)



PROJECT	COST TO DATE £m	TOTAL COST TO COMPLETION	GROSS DEVELOPMENT VALUE	No. OF FLATS	% AFFORDABLE	AFFORD UNITS	NET RENTAL INCOME P/A	DELAY COST PER WEEK
CEASER COURT 2	0.2	8.22	12.6	39	50%	19	£0.443m	
ASHFORD CAR PARK	0	15.5	16.6	48	100%	48	£0.54m	£0
THAMESIDE HOUSE	10.1	60.96	72.4	140	50%	70	£2.34m	£2922
OASTHOUSE	21.3	88.6	94.7	217	100%	217	£2.88m	£6,150
	£31.6m	£173.3m	£196.3m	444	80%	354	£6.2mpa	£9072

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Income to Council
each year
35 years = £217m



Housing schemes pipeline

PROJECTS (where full costs are known)

CEASER
COURT 2

ASHFORD
CAR PARK

THAMESIDE
HOUSE

OASTHOUSE

For a total investment of circa £173.3m Spelthorne Council gains

- Property with an overall asset value of circa **£196.3m** which could be sold if necessary
- **444** apartments for rent/sale of which currently **354 (80%)** will be designated 'affordable'
- Dwellings that can generate circa **£6.2m** rental income for Spelthorne per year
- Delays to proceeding unfinished projects is costing circa **£9150 pw**

Confidential information



**Appendices 2 and
3 of the report are
confidential**

**Will need to move
into Part 2 if
questions or
discussion**

ECM – Financial/budgetary impact



· Adverse impact on budget (savings or income?)

· Delayed rental income to support budget
£1.1m

· Appeal costs and cost of CPO sites for Local Plan

ECM – Affordable and development



· Delay in affordable – min. of 2 years

2,100 on register

· Schemes to deliver 24% of current need

50%- 100% affordable

· £3.95m cost - capital to revenue & increased construction

ECM – Local Plan

· Housing figure 606
Over 708 units short if no SBC sites

· Council schemes = 19% supply
Worsen housing supply

· Threat to green belt via planning application and allocations