



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

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