

Welborne - £10m Cost Over-run Review

	Affordable Housing Dwellings
Base Case	600
£10m Cost Over-run Case	440
Reduction	160
£ Cost Over-run per Dwelling	62,500

MIX OF HOUSE BUILDERS - 250 pa max

YEAR	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	
Interest Rate	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%		
Affordable %		10%					10%				10%				10%				10%			10%									
Land Value		1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	
UNIT SALES																															
Total Unit Sales	6,000	0	25	75	150	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	0	0	
Cum Unit Sales		0	25	100	250	500	750	1,000	1,250	1,500	1,750	2,000	2,250	2,500	2,750	3,000	3,250	3,500	3,750	4,000	4,250	4,500	4,750	5,000	5,250	5,500	5,750	6,000	6,000	6,000	
Total Plot Sales	6,000	100	100	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	200	100	0	0	0	
Cum Plot Sales		100	200	450	700	950	1,200	1,450	1,700	1,950	2,200	2,450	2,700	2,950	3,200	3,450	3,700	3,950	4,200	4,450	4,700	4,950	5,200	5,450	5,700	5,900	6,000	6,000	6,000	6,000	
Headroom	450	100	175	350	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	400	250	0	0	0	
Regional Revenue	251,322	0	2,513	7,540	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	0	0
National Revenue	351,851	0	0	7,540	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	13,823	10,053	3,770	0	0	
Employment Etc Revenue	22,098					10,438	611							10,438	611																
Revenue	625,271	0	0	2,513	15,079	25,132	35,570	25,743	25,132	25,132	25,132	25,132	25,132	35,570	25,743	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	23,876	20,106	13,823	0	0	
Annual Inflation	N	0.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Cumulative inflation		1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34	1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81	1.86	1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36
Total Revenue	625,271	0	0	2,513	15,079	25,132	35,570	25,743	25,132	25,132	25,132	25,132	25,132	35,570	25,743	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	23,876	20,106	13,823	0	0	
Cost Plan Summary (per MM Delivery Plan)																															
IDP Phasing Adjustment	N	0																													
IDP Incl Phasing Adjustment	-307,932	0	0	-19,737	-20,000	-21,268	-17,108	-13,494	-14,021	-11,006	-8,964	-9,645	-8,173	-13,127	-21,448	-22,231	-24,454	-14,436	-9,783	-8,853	-11,528	-11,133	-7,981	-5,641	-4,672	-3,141	-2,385	-2,366	-1,338	0	0
Annual Inflation	N	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	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
Cumulative inflation		1.00	1.02	1.04	1.06	1.08	1.10	1.13	1.15	1.17	1.20	1.22	1.24	1.27	1.29	1.32	1.35	1.37	1.40	1.43	1.46	1.49	1.52	1.55	1.58	1.61	1.64	1.67	1.71	1.74	1.78
IDP Cost	-307,932	0	0	-19,737	-20,000	-21,268	-17,108	-13,494	-14,021	-11,006	-8,964	-9,645	-8,173	-13,127	-21,448	-22,231	-24,454	-14,436	-9,783	-8,853	-11,528	-11,133	-7,981	-5,641	-4,672	-3,141	-2,385	-2,366	-1,338	0	0
CIL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Funding & Returns																															
Revenue	625,271	0	0	2,513	15,079	25,132	35,570	25,743	25,132	25,132	25,132	25,132	35,570	25,743	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	23,876	20,106	13,823	0	0	
IDP	-307,932	0	0	-19,737	-20,000	-21,268	-17,108	-13,494	-14,021	-11,006	-8,964	-9,645	-8,173	-13,127	-21,448	-22,231	-24,454	-14,436	-9,783	-8,853	-11,528	-11,133	-7,981	-5,641	-4,672	-3,141	-2,385	-2,366	-1,338	0	0
M27 Additional Funding	-20,000	0	0	-10,000	-10,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Planning Costs	-12,000		-12,000																												
Total Land	-111,654	-77,938	-1,667	-1,667	-2,044	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	0	0	0	0	0	0	0	
Period cash flow pre interest costs	173,686	0	-89,938	-18,891	-16,587	-8,180	16,795	10,582	9,445	12,459	14,502	13,821	15,292	20,777	2,629	1,235	-989	9,029	13,683	14,612	11,937	12,332	15,484	19,491	20,460	21,991	21,491	17,740	12,485	0	0
Interest	-164,511	0	-2,698	-6,125	-7,557	-8,753	-9,020	-8,740	-8,663	-8,526	-8,229	-7,873	-7,472	-6,838	-6,546	-6,823	-7,225	-7,417	-7,181	-6,763	-6,372	-6,027	-5,554	-4,838	-3,929	-2,892	-1,761	-689	0	0	0
Period cash flow - Enabler Return	9,175	0	-92,636	-25,015	-24,144	-16,933	7,775	1,843	781	3,933	6,273	5,948	7,821	13,939	-3,917	-5,588	-8,214	1,611	6,502	7,849	5,565	6,305	9,931	14,653	16,531	19,100	19,730	17,050	12,485	0	0
Cash brought forward	0	0	-92,636	-117,652	-141,796	-158,729	-150,954	-149,112	-148,330	-144,397	-138,125	-132,177	-124,356	-110,418	-114,335	-119,923	-128,137	-126,526	-120,024	-112,175	-106,610	-100,305	-90,375	-75,721	-59,190	-40,091	-20,361	-3,310	9,175	9,175	
Cash carried forward to calculate peak funding		-158,729																													

IRR		6.1%
Return on Cost - IDP + Land	451,585	2.0%
Return on Cost - IDP + Interest	616,097	1.5%
Return on Revenue	625,271	1.5%

Affordable		Units
1st 1,000	10%	100
2nd 1,000	10%	100
3rd 1,000	10%	100
4th 1,000	10%	100
5th 1,000	10%	100
6th 1,000	10%	100
Total	10%	600

MIX OF HOUSE BUILDERS - 250 pa max

YEAR	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29		
Interest Rate	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%		
Affordable %		10%					0%				4%				10%				10%			10%										
Land Value		1,362	1,362	1,362	1,362	1,362	1,472	1,472	1,472	1,472	1,435	1,435	1,435	1,435	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362	1,362		
UNIT SALES																																
Total Unit Sales	6,000	0	25	75	150	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	0	0		
Cum Unit Sales		0	25	100	250	500	750	1,000	1,250	1,500	1,750	2,000	2,250	2,500	2,750	3,000	3,250	3,500	3,750	4,000	4,250	4,500	4,750	5,000	5,250	5,500	5,750	6,000	6,000	6,000		
Total Plot Sales	6,000	100	100	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	200	100	0	0	0		
Cum Plot Sales		100	200	450	700	950	1,200	1,450	1,700	1,950	2,200	2,450	2,700	2,950	3,200	3,450	3,700	3,950	4,200	4,450	4,700	4,950	5,200	5,450	5,700	5,900	6,000	6,000	6,000	6,000		
Headroom	450	100	175	350	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	400	250	0	0	0		
Regional Revenue	256,748	0	2,513	7,540	10,053	10,053	10,867	10,867	10,867	10,867	10,595	10,595	10,595	10,595	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	10,053	0	0
National Revenue	359,990	0	0	7,540	15,079	15,079	16,300	16,300	16,300	16,300	15,893	15,893	15,893	15,893	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	15,079	13,823	10,053	3,770	0	0		
Employment Etc Revenue	22,098					10,438	611							10,438	611																	
Revenue	638,836	0	0	2,513	15,079	25,132	35,570	27,778	27,167	27,167	27,167	26,489	26,489	36,927	27,100	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	23,876	20,106	13,823	0	0		
Annual Inflation	N	0.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	
Cumulative inflation		1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34	1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81	1.86	1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36	
Total Revenue	638,836	0	0	2,513	15,079	25,132	35,570	27,778	27,167	27,167	27,167	26,489	26,489	36,927	27,100	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	23,876	20,106	13,823	0	0		
Cost Plan Summary (per MM Delivery Plan)	-307,932	0	0	-19,737	-20,000	-21,268	-17,108	-13,494	-14,021	-11,006	-8,964	-9,645	-8,173	-13,127	-21,448	-22,231	-24,454	-14,436	-9,783	-8,853	-11,528	-11,133	-7,981	-5,641	-4,672	-3,141	-2,385	-2,366	-1,338	0	0	
IDP Phasing Adjustment	N	0																														
IDP Incl Phasing Adjustment	-307,932	0	0	-19,737	-20,000	-21,268	-17,108	-13,494	-14,021	-11,006	-8,964	-9,645	-8,173	-13,127	-21,448	-22,231	-24,454	-14,436	-9,783	-8,853	-11,528	-11,133	-7,981	-5,641	-4,672	-3,141	-2,385	-2,366	-1,338	0	0	
Annual Inflation	N	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	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		
Cumulative inflation		1.00	1.02	1.04	1.06	1.08	1.10	1.13	1.15	1.17	1.20	1.22	1.24	1.27	1.29	1.32	1.35	1.37	1.40	1.43	1.46	1.49	1.52	1.55	1.58	1.61	1.64	1.67	1.71	1.74	1.78	
IDP Cost	-307,932	0	0	-19,737	-20,000	-21,268	-17,108	-13,494	-14,021	-11,006	-8,964	-9,645	-8,173	-13,127	-21,448	-22,231	-24,454	-14,436	-9,783	-8,853	-11,528	-11,133	-7,981	-5,641	-4,672	-3,141	-2,385	-2,366	-1,338	0	0	
CIL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		

Funding & Returns

Revenue	638,836	0	0	2,513	15,079	25,132	35,570	27,778	27,167	27,167	27,167	26,489	26,489	36,927	27,100	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	25,132	23,876	20,106	13,823	0	0	
IDP	-307,932	0	0	-19,737	-20,000	-21,268	-17,108	-13,494	-14,021	-11,006	-8,964	-9,645	-8,173	-13,127	-21,448	-22,231	-24,454	-14,436	-9,783	-8,853	-11,528	-11,133	-7,981	-5,641	-4,672	-3,141	-2,385	-2,366	-1,338	0	0
M27 Additional Funding	-30,000	0	0	-10,000	-20,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Planning Costs	-12,000		-12,000																												
Total Land	-111,654	-77,938	-1,667	-1,667	-2,044	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	-1,667	0	0	0	0	0	0	0	
Period cash flow pre interest costs	177,251	0	-89,938	-18,891	-16,587	-18,180	16,795	12,617	11,479	14,494	16,536	15,177	16,649	22,133	3,985	1,235	-989	9,029	13,683	14,612	11,937	12,332	15,484	19,491	20,460	21,991	21,491	17,740	12,485	0	0
Interest	-167,468	0	-2,698	-6,125	-7,557	-9,053	-9,638	-9,334	-9,171	-8,942	-8,548	-8,109	-7,641	-6,936	-6,568	-6,806	-7,207	-7,398	-7,161	-6,741	-6,349	-6,002	-5,528	-4,810	-3,901	-2,861	-1,728	-655	0	0	
Period cash flow - Enabler Return	9,783	0	-92,636	-25,015	-24,144	-27,233	7,157	3,283	2,308	5,552	7,989	7,068	9,008	15,197	-2,583	-5,571	-8,196	1,631	6,522	7,871	5,587	6,330	9,956	14,681	16,560	19,130	19,763	17,085	12,485	0	0
Cash brought forward	0	0	-92,636	-117,652	-141,796	-169,029	-161,872	-158,589	-156,280	-150,729	-142,740	-135,672	-126,664	-111,466	-114,050	-119,621	-127,817	-126,186	-119,664	-111,793	-106,206	-99,876	-89,920	-75,239	-58,679	-39,549	-19,786	-2,702	9,783	9,783	
Cash carried forward to calculate peak funding		-169,029	-92,636	-117,652	-141,796	-169,029	-161,872	-158,589	-156,280	-150,729	-142,740	-135,672	-126,664	-111,466	-114,050	-119,621	-127,817	-126,186	-119,664	-111,793	-106,206	-99,876	-89,920	-75,239	-58,679	-39,549	-19,786	-2,702	9,783	9,783	

IRR		6.1%
Return on Cost - IDP + Land	461,585	2.1%
Return on Cost - IDP + Interest	629,053	1.6%
Return on Revenue	638,836	1.5%

Affordable		Units
1st 1,000	10%	100
2nd 1,000	0%	0
3rd 1,000	4%	40
4th 1,000	10%	100
5th 1,000	10%	100
6th 1,000	10%	100
Total	7%	440