

Project Experience

HRA Sites Feasibility – Royal Borough of Kingston Upon Thames



Background

AspinallVerdi as part of multi-disciplinary team was instructed by the Royal Borough of Kingston upon Thames (RBK) to undertake a feasibility/viability study to test the potential of council owned Housing Revenue Account (HRA) land to deliver new affordable housing in the Borough.

RBK's HRA portfolio consist of a variety of land and buildings, including disused and occupied garage sites. RBK identified 10 sites that needed to be tested in terms of site capacity and viability.

RBK is committed to maximising the use of its assets to enable housing growth and provide more affordable housing and therefore all of the units were proposed to be for social rent. However, we also considered the potential for affordable rent in order to test the impact on viability and importantly the impact on timescales for RBK i.e. the point at which RBK make a return on their investment.

Scope

We carried out the following tasks:

- Detailed research on social and affordable rents.
- Advice on emerging scheme options.
- Build a bespoke cashflow model on excel to test viability of the scheme options and to identify returns over a 30 to 40 year period.

Outputs

Working alongside Tibbalds and CampbellReith we have identified a number of development options for each of the sites.

Our viability analysis has helped to identify which options are viable and also the breakeven point for each site i.e. the point at which the cashflow turns positive and the Council's initial investment/outlay is repaid.

The analysis has been used to inform the Council decision making process and identify priority sites for investment.

