

Option 5: Honeybourne Gate, Jessops Avenue

Financing based on £12.5m PWLB annuity loan over 20 years PLUS £2.5m capital receipts

Years	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36		
A. Cashflow - at current pay and price levels (2015/16)																							
Purchase price	15,000,000																				15,000,000		
PWLB Loan	-12,500,000																				-12,500,000		
Principal repayments	245,058	499,010	511,108	523,500	536,193	549,193	562,508	576,146	590,115	604,422	619,077	634,086	649,460	665,206	681,334	697,853	714,773	732,103	749,853	768,033	390,971	12,500,000	
Interest repayments	150,625	292,356	280,257	267,865	255,173	242,173	228,857	215,219	201,250	186,943	172,289	157,279	141,905	126,159	110,031	93,512	76,592	59,263	41,513	23,332	4,708	3,327,301	
Relocation costs		70,000																				70,000	
Additional move costs - IT Upgrades		40,000																				40,000	
Furniture and Fittings		150,000																				150,000	
Council Chamber / Committee Suite fit-out		100,000																				100,000	
MO Annual Occupational Costs (SAVING)			-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-7,381,500	
Rental stream from vacated Municipal Offices site						-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-2,800,000	
Business Rates			150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	2,850,000	
Annual Occupational Costs (inc.maintenance, utilities and insurance)			200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	3,800,000	
Programmed Maintenance																							
Cashflow	2,895,683	1,151,365	752,865	752,865	752,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	182,180	15,155,801	
INTERNAL FINANCING																							
Capital Receipts	2,500,000																					2,500,000	
Impact on Medium Term Strategy	395,683	1,151,365	752,865	752,865	752,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	182,183	12,655,801	
Property R&R Reserve		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	2,000,000	
Dedicated Building Reserve		-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-2,000,000	
Total	2,895,683	1,151,365	752,865	752,865	752,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	577,865	182,183	15,155,801	
B. Net Present Value including inflationary increases																							
Discount rate	5%																						
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Totals	
Present value of £1	1	0.95238095	0.9070295	0.8638376	0.8227025	0.7835262	0.7462154	0.71068133	0.6768394	0.6446089	0.61391325	0.584679289	0.55683742	0.5303214	0.505068	0.4810171	0.4581115	0.4362967	0.4155207	0.395734	0.376889		
Purchase price	15,000,000																					15,000,000	
PWLB Loan	-12,500,000																					-12,500,000	
Principal repayments	245,058	499,010	511,108	523,500	536,193	549,193	562,508	576,146	590,115	604,422	619,077	634,086	649,460	665,206	681,334	697,853	714,773	732,103	749,853	768,033	390,971	12,500,000	
Interest repayments	150,625	292,356	280,257	267,865	255,173	242,173	228,857	215,219	201,250	186,943	172,289	157,279	141,905	126,159	110,031	93,512	76,592	59,263	41,513	23,332	4,708	3,327,301	
Relocation costs		71,400																				71,400	
Additional move costs - IT Upgrades		41,600																				41,600	
Furniture and Fittings		153,000																				153,000	
Council Chamber / Committee Suite fit-out		104,000																				104,000	
MO Annual Occupational Costs (SAVING)			-400,713	-411,313	-417,729	-424,274	-430,949	-442,283	-449,228	-456,740	-468,084	-475,899	-483,870	-495,868	-504,161	-512,620	-525,309	-534,110	-543,087	-556,273	-565,771	-9,098,281	
Rental stream from vacated Municipal Offices site						-193,214	-193,214	-193,214	-193,214	-193,214	-218,214	-218,214	-218,214	-218,214	-218,214	-243,124	-243,124	-243,124	-243,124	-243,124	-243,124	-268,124	-3,540,884
Business Rates			156,060	159,181	162,365	165,612	168,924	172,303	175,749	179,264	182,849	186,506	190,236	194,041	197,922	201,880	205,918	210,036	214,237	218,522	222,892	3,564,498	
Annual Occupational Costs (inc.maintenance, utilities and insurance)			208,080	212,242	216,486	220,816	225,232	229,737	234,332	239,019	243,799	248,675	253,648	258,721	263,896	269,174	274,557	280,048	285,649	291,362	297,189	4,752,663	
Programmed Maintenance																							
Total	2,895,683	1,161,365	754,792	751,475	752,487	560,306	561,359	557,908	559,004	559,694	531,715	532,433	533,165	530,046	530,808	506,675	503,407	504,216	505,041	501,852	81,866	14,375,297	
PV	2,895,683	1,106,062	684,619	649,152	619,073	439,014	418,895	396,495	378,356	360,784	326,427	311,303	296,886	281,095	268,094	243,719	230,617	219,988	209,855	198,600	30,854	10,565,570	

Note:

(1) Rental stream from vacated Municipal Offices site

Year 5 -cash flow -current prices net rent £175,000

Year 5 - Assumed inflation at 2% year 5, with rent reviews increasing net rent by £25k every 5 years