

Stevenage Council
ILLUSTRATIVE SETTING UP COSTS

Appendix 5

The following indicative costs are what authorities with around 7-8,000 properties transferring their whole stock typically incur during the transfer process.

The appraisal report specifically avoids referring to these costs in detail as they are often used as "budgets" by authorities during the process. This approach should be avoided as the illustrations are not intended to represent the amounts likely to be tendered by service providers / consultants, rather the average experience of LA's recently. An amount of leeway is also included to allow for inflationary and other increases.

The following excludes loan arrangement fees which are based on a %age of the peak debt - estimates are contained in the report.

	Pre Ballot		Post Ballot	
	Minimum £'000's	Maximum £'000's	Minimum £'000's	Maximum £'000's
Council				
Lead Consultants	50	50	60	80
Stock condition survey	0	60		
Tenants advisers	30	50		
Conveyancing costs **			80	80
Legal advisers	40	50	60	80
PR adviser	30	50		
Electoral Reform Society	30	50		
Publicity	50	70		
Seconded staff . Admin. etc	80	100	50	80
Contingency / sundries	50	50		
	360	530	250	320
New RSL				
Lead consultants	30	30	100	130
Legal advisers			100	150
Public relations			30	50
Tenant info / handbook			30	50
Valuation report			30	40
Audit / validation			20	20
Funding advisers			50	50
Funders lawyers			50	50
Land registry fees			30	30
Start up costs eg secondment	50	80	200	400
IT advisers			40	50
NHF affiliation fee			20	20
Interest on temp. loans			50	60
Contingency / sundries	40	40	50	50
Non-recoverable VAT			100	100
	120	150	900	1,250
Overall total pre / post	480	680	1,150	1,570