



**A E Q U U S**

# **BUSINESS PLAN**

## **2024/2025**

### **TO**

## **2026/2027**

*Aequus Group will deliver high quality sustainable homes*



[enquiries@aequsdevelopments.co.uk](mailto:enquiries@aequsdevelopments.co.uk)



[www.aequusdevelopments.co.uk](http://www.aequusdevelopments.co.uk)

# Contents Page

	<i>Page</i>
<i>1. Introduction</i>	<i>3</i>
<i>2. Aims, Values &amp; Behaviours</i>	<i>5</i>
<i>3. Company Objectives &amp; Achievements</i>	<i>6</i>
<i>4. ADL – Rental Portfolio</i>	<i>9</i>
<i>5. Developments and Construction Delivery Pipeline</i>	<i>14</i>
<i>6. Financials</i>	<i>19</i>
<i>7. Meeting the Climate Emergency Challenge</i>	<i>22</i>
<i>8. Key Dependencies</i>	<i>24</i>
<i>9. Governance</i>	<i>26</i>
<i>10. Resourcing</i>	<i>29</i>





# 1. Introduction

This Business Plan sets out the directions of the Aequus Group for the next three years to support B&NES Council as our Shareholder to deliver our agreed objectives and to work with other neighbouring local authority partners to deliver much needed housing for our communities.

Aequus is a successful and growing company which demonstrates what can be achieved working innovatively and prudently with local authority partners to deliver outcomes for local people.

*Charles Gerrish  
Chair of Aequus Group  
November 2023*



---

The Aequus Group of companies consists of Aequus Group Holdings Ltd (AGHL) which is wholly owned by Bath & North East Somerset Council. AGHL in turn wholly owns the two subsidiary companies which deliver the operational activities of the group - Aequus Developments Ltd (ADL) and Aequus Construction Ltd (ACL).

We aim to provide high quality private lettings and new build homes as an exemplar housing developer of sustainable homes and to increase the supply of homes available to the market working with our Shareholder, Bath & North East Somerset Council and partner councils (South Gloucestershire Council and North Somerset Council).

We are also setting out our plans in this document to support B&NES Council's ambition to increase the supply of affordable housing including the delivery of new build council owned homes in support of the Council's priorities and the Administration's manifesto commitments. This will rely upon the Council's land supply and opportunities identified to repurpose existing assets in supporting the delivery of this increasing upon the Council's land supply and opportunities identified to repurpose existing assets in supporting the delivery of this increasing focus for the company.

We have now completed 217 units of new and refurbished market and affordable homes. This includes 51 units retained by ADL for the private rental market together with 22 units sourced from the market through Local Authority Housing Fund. We have built a sustainable business, to the benefit of our Shareholder, which ultimately benefits B&NES residents and most importantly delivering new homes under a variety of tenures for the community.

The completion by ACL in June 2022 of our exemplar low energy development of 9 family homes at Sladebrook Road, Bath demonstrated our ability to deliver high quality sustainable homes, supporting the aspirations of our partner councils to address the climate emergency challenge. This AECB low energy standard is now the baseline for all our new housing development. The AECB Building Standard is aimed at those wishing to create high-performance buildings using widely available technology. They estimate that this low-risk option will reduce overall CO2 emissions by 70% compared to the UK average for buildings of each type – a highly significant result given the relative ease and low cost with which this standard can be met.

We have worked closely with B&NES to identify a portfolio of small sites and properties which have the potential to support the delivery of the Council's housebuilding programme. We completed the redevelopment of 117 Newbridge Hill in Bath during December 2022, delivering the first B&NES owned social rent properties for over 30 years. We are continuing to work on this exciting pipeline in partnership with the Council.

As a group of Companies, we are working with our Shareholder and partners to develop a housing pipeline that meets the Shareholders objectives for the company. This pipeline is set out here, in our new Business Plan for 2024/25 to 2026/27. As part of this approach, we will be considering innovative approaches to delivery in order to support the Shareholder's aspirations for more affordable housing.

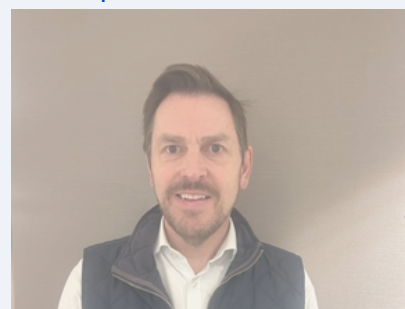
In order to ensure we have a resilient pipeline of sites for delivery to help achieve the Shareholder's financial objectives, we have built a strong partnership with South Gloucestershire Council and a new partnership with North Somerset Council.

We are pleased to say that in July 2022, we started on site with our first partnership development with South Gloucestershire Council. This site will fully complete in June 2024 delivering 30 low energy family homes, 11 of which will be affordable homes.

Both ADL and ACL continued to see strong financial performance in 2022/23 with combined gross profits exceeding £2.2M. Our financial performance objectives, as set by the Council, have been met. £4m of revenue has been paid to our Shareholder and over £6m of capital receipts has been generated for our council partners. We continue to anticipate meeting the Shareholder's financial and wider objectives for the Company, as set out in this Business Plan.

We constantly monitor the economic climate, and this is reflected in our development and financial plans. This includes monitoring the higher levels of interest rates and the impact this has on mortgages and the housing market. Prudent financial assumptions, together with delivery of a high quality, low energy product, means we remain optimistic for future sales and delivery of our Shareholder's aspirations.

*Tim Richens FCCA CPFA*  
*Managing Director*  
*November 2023*





## 2. Aims, Values & Behaviours

### Mission Statement

**Aequus Group will deliver high quality sustainable homes**

#### Core Aims:

- To support our Shareholders one overriding purpose “to improve people's lives”.
- To increase the housing stock for both the tenants and home-owner’s market to meet the local housing need.
- To operate in a creative and innovative manner that works commercially.
- To support our local authority partners to tackle their climate and ecological emergency objectives and demonstrate best practice for property development.
- To assist B&NES Council in its delivery of social housing supporting its Corporate Strategy priorities for affordable housing, accessible to local jobs and services.
- To act as a responsible Landlord to our tenants, ensuring our properties are maintained to a good standard.

#### Values

- We promote the aims agreed with our Shareholder adopting their corporate values - Bold - Transparent - Supportive - Empowered
- We respect our customers.
- We promote sustainability and accessibility through innovative and creative design.
- We seek to provide housing solutions to meet our Shareholders requirements.
- We strive to strengthen existing relationships and to build new partnerships
- We nurture a culture of trust and openness within the team
- We value our environment

#### Behaviours

- We engage respectfully
- We work collaboratively
- We are accountable for what we do
- We challenge fairly and appropriately
- We seek to maximise value through creativity and innovation in design and delivery
- We place sustainability at the heart of our business
- We operate an efficient business, and use local providers of goods and services where possible

#### Supporting the Shareholder’s Corporate Strategy 2023-2027

As a B&NES Council owned Company, our aims and objectives are designed to support the Council in delivery of their Corporate Strategy 2023-2027. Set out below are the elements of the business plan that support this:

- **Tackling the Climate & Ecological Emergency** – section 7 sets out in detail how the Company will address the climate challenge in all current and new projects including delivery of low energy AECB standard homes.
- **Delivering for local residents** – the Company has already begun to address delivery of council housing for BANES with the completion of 117 Newbridge Hill, Bath and starting on site at Argyle Works, Bath. We are working with B&NES and other neighbouring local authorities to deliver new homes. Section 5 also sets out in details how the company will work with B&NES to deliver more affordable housing for the Council.

### 3. Company Objectives & Key Achievements

The objectives for the Aequus Group of companies are set out here in agreement with our Shareholder, B&NES Council. These objectives place a strong emphasis on housing delivery based on the site-specific requirements set out by the Shareholder.

These objectives form a key performance measure for the company in terms of the focus for governance and oversight by the Board. They will also be reported quarterly to the Shareholder to show progress and delivery against the agreed objectives.

In addition to this, the performance against these objectives will be reported twice-yearly to the B&NES Corporate Scrutiny Committee with the Business Plan itself being reviewed annually by the Shareholder

The specific company objectives for the current year and the full three-year period are set out below:

Ref	2024-2025	2025-2027
<b>OPERATIONAL</b>		
1	To complete the development at Malmain Drive, South Glos and make substantial progress with the development at Argyle Works, Bath. Subject to planning and financials, to make a start on the Danes Lane, Keynsham development.	To identify and progress residential development opportunities for both the private market and affordable housing, subject to pipeline, planning consents and governance approvals of the relevant local authority partner.
2	To support B&NES Council with delivery of its affordable housing plans, including social housing, identifying suitable opportunities for affordable housing led developments.	To continue to identify suitable opportunities for affordable housing led developments, including social housing, on land owned or acquired by B&NES Council.
3	To deliver energy efficient homes (EPC A rated where practicable) and explore potential to deliver continued improvement in energy and carbon efficiency standards.	To deliver energy efficient homes (EPC A rated where practicable) and explore potential to deliver continued improvement in energy and carbon efficiency standards.
4	To develop our pipeline of sites with our local authority partners to support a sustainable business which meets the aims of the Shareholder	To develop our pipeline of sites with our local authority partners to support a sustainable business which meets the aims of the Shareholder
5	To ensure void levels on private rented homes remains below 5%	To ensure void levels on private rented homes remains below 5%
6	To complete delivery of Local Authority Housing Fund properties for refugees in accordance with the LAHF Agreement	To operate portfolio of Local Authority Housing Fund properties for refugees in accordance with the LAHF Agreement
7	As a responsible Landlord, to respond within 48 hours to all tenant enquiries and report landlord compliance quarterly to the Board.	As a responsible Landlord, to respond within 48 hours to all tenant enquiries and report landlord compliance quarterly to the Board.
8	All new build developments will comply with the New Homes Quality Board (NHQB) code	All new build developments will comply with the New Homes Quality Board (NHQB) code

<b>FINANCIAL</b>		
9	To deliver the following total revenue financial returns to the Shareholder	To deliver the following total revenue financial returns to the Shareholder (tbc)
9a	•2024/25 = £1,000K	
9b		•2025/26 = £1,000K (site & tenure dependant)
9c		•2026/27 = £1,500K+ (site & tenure dependant)
10	To continue to deliver B&NES commissioned affordable housing schemes at cost and overhead rate only - profit margin to be waived.	To continue to deliver B&NES commissioned social housing schemes at cost and overhead rate only - profit margin to be waived.
11	To maintain a development loan to value ratio below 75% on all developments.	To maintain a development loan to value ratio below 75% on all developments.

<b>CORPORATE</b>		
12	To support B&NES Council as required to explore the appropriate role of the Aequus Group as part of options relating to any future Housing Revenue Account	To support B&NES Council as required to explore the appropriate role of the Aequus Group as part of options relating to any future Housing Revenue Account
13	To continue to support partnership working with neighbouring councils on a 'Sales and Overage' basis and support B&NES in developing partnership opportunities with local anchor organisations.	To continue to support partnership working with neighbouring councils on a 'Sales and Overage' basis and support B&NES in developing partnership opportunities with local anchor organisations.
14	To bring forward with B&NES Council options for structural changes to provide a tax efficient vehicle for the delivery and reinvestment of surpluses into delivery of enhanced affordable housing and regeneration schemes	To lead the delivery of any approved option changes to the Company governance structure to deliver agreed objectives.
15	To attend relevant housing seminars, training and information sharing events to maintain awareness of best practise and future developments.	To attend relevant housing seminars, training and information sharing events to maintain awareness of best practise and future developments.
16	To promote the use of local suppliers when procuring works and services	To promote the use of local suppliers when procuring works and services



# Key achievements 2022-2023

As projected in our Business Plan, 2022-2023 has been another successful year for the Company and we continue to make good progress with our neighbouring local authority, South Gloucestershire Council (SGC) alongside our Shareholder to bring high quality low energy homes to the local area.

- St Joseph Court (Sladebrook Road) development of 9 homes, 2 of which were purchased by B&NES Council for Shared Ownership. This development received the Bath Property Award for Best Residential Development 2022. Sladebrook Road achieved excellent low energy ratings with the AECB standard now adopted for all new Aequus housing developments.
- Conversion of 117 Newbridge Hill, Bath into 7 high quality one and two-bedroom social rented apartments. This development was shortlisted to The MJ Awards 2023 Best Social Housing Initiative.
- Works commenced on the site at Manor Gardens (Malmain Drive), Frenchay for the development of 30 new homes in partnership with South Gloucestershire Council – our first partnership development.
- Work on Crescent Gardens Lodge and Theobald House for conversion into temporary accommodation started on site and are progressing well.
- The Argyle works site, Bath and 19 Westgate Street, Bath were both granted planning permission and are progressing.
- We are supporting B&NES with the progression of the Bath Quays North, Bath Western Riverside and Midland Road sites through various stages of feasibility and planning as potential key future delivery sites.
- Feasibility proposals for a number of Commercial Estate repurposing properties were provided to the Council including proposals for the Local Authority Housing Fund
- The Initial Business Cases for the development of the sites at Castle School, Thornbury and Charborough Road, Filton as part of the ongoing partnership working arrangements have been developed for SGC.
- Void levels for our rental properties remain well below target. We have carried out a tenant survey and received 8 responses (15%) all of which were positive.
- The financial targets set by the Shareholder are anticipated to be achieved with £1M of revenue returns delivered.
- The approved Company Restructure was implemented in May 2022 which now sees Aequus Group Holdings Ltd (AGHL) as the holding company with Aequus Construction Ltd (ACL) overseeing the construction of new homes and Aequus Developments Ltd (ADL) managing the private rental portfolio.
- The Company continues to engage with neighbouring local authorities for further potential partnership working, the most promising of these discussions are currently with North Somerset Council and Somerset Council.

## 4. ADL - Private Rental

Aequus Developments Ltd (ADL) is the Council's residential asset holding Company, providing market and more recently affordable rental properties in accordance with the Council objectives. As part of the Aequus Group, ADL is Teckal compliant providing a great deal of flexibility in how it supports the Council to deliver rental market housing.

### Current Portfolio

As of 1st November 2023, ADL has 51 private rented units, ranging from HMOs to 3 bed homes and 2 bed apartments spanning from the City Centre of Bath to Keynsham.

Aequus have outsourced the day-to-day management of our rental portfolio to a local estate agent, Gregory's, who are responsible for the marketing of properties, overseeing all management of tenants including property viewings, check in-out process, progressing assured shorthold tenancy agreements, reviewing the rental income on a tenancy-by-tenancy basis and providing an emergency out of hours service to the tenants.

Prior to occupation during and at the end of a tenancy Gregory's produce property condition surveys, property inventories and carrying out routine property inspections.

As the Landlord, ADL do have the overall responsibility for compliance and have a compliance checklist in place that is reported to the Board. We work closely with Gregory's to help us to ensure all compliance requirements within our control are met i.e. maintaining and updating all gas/electric certificates, carry out Energy Performance Certification assessments and also ensuring all of the properties are maintained using local maintenance contractors.

Gregory's advises ADL of any activity, complaints, issues or matters relating to tenancies that could pose a risk or damage to the Aequus brand or property.

### Minimum Energy Efficiency Standards (MEES)

These are a set of rules for landlords in England or Wales to follow to ensure a minimum standard of energy efficiency in rented homes. Most rented homes must have an EPC with a rating for A to E, with the exception of some listed buildings. After a consultation in December 2020, the Government had announced changes to the Minimum Energy Efficiency Standards for England and Wales. The Government had proposed that all rental properties will need an EPC rating of 'C' or above by 2028, however, this requirement was recently rescinded by the Government.

At present, all of the ADL properties have an EPC E rating or above. Our Company commitment is, where practicable, to bring our properties up to an EPC C standard. However, with the listed buildings within our portfolio, it is more challenging to improve the EPC to an C rating. Therefore, over the next 5 to 7 years, our commitment will be trying to improve the EPC rating to a C, where practicable and viable.



PROPERTY DETAILS	UNITS	EPC RATING
<b>Listed Buildings</b>		
Kingsmead Square	2 Bed Flat	D
Stall Street	HMO - 8 private rooms with 2 communal bathrooms and 1 shared kitchen	E
Cheap Street	HMO - 6 private rooms with 2 communal bathrooms and 1 shared kitchen	E
Terrace Walk	HMO - 7 private rooms each with a private kitchen, two shared cloakrooms, a shower room and a bathroom.	E
Chatham Row	1 Bed Flat	E
Westgate Buildings	1 Bed Flat	D
Broad Street	1 Bed Flat	D
Westgate Street	1 Bed Flat	D
Abbey Churchyard	1 Bed Flat	E
Edgar Buildings	1 Bed Flat	E
George Street	2 Bed Flat	E
St Michael's Place	1 Bed Flat	D
Edgar Buildings	1 Bed Flat	C
Edgar Buildings	1 Bed Flat	E
Wellington Buildings	2 Bed House	D
Wellington Buildings	2 Bed House	D





PROPERTY DETAILS	UNITS	EPC RATING
<b>Un-listed buildings</b>		
Riverside View	2 Bed Flat	D
Riverside View	2 Bed Flat	D
Riverside View	2 Bed Flat	D
Riverside View	2 Bed Flat	D
Riverside View	2 Bed Flat	D
Riverside View	2 Bed Flat	C
Riverside View	2 Bed Flat	C
Riverside View	2 Bed Flat	C
Riverside view	2 Bed Flat	D
Riverside View	2 Bed Flat	C
Riverside View	2 Bed Flat	D
Riverside View	2 Bed Flat	D
Abbey Churchyard	1 Bed Flat	C
Monmouth Street	2 Bed Flat	E
Monmouth Street	2 Bed Flat	C
High Street, Bath	1 Bed Flat	D
Second Avenue	3 Bed House	E



## Renters (Reform) Bill

The Government has been considering reforms to enhance tenant rights and protections. This will include measures to address unfair evictions, improve the quality of rental properties, and strengthen tenants' ability to challenge rent increases. As well as changing the law about rented homes, abolishing fixed term assured tenancies and assured short hold tenancies; imposing obligations on landlords to rented homes and temporary and supported accommodation.

At this stage in time the Bill's second reading took place in the House of Commons late October 2023. The headline changes from the debate were the delay in abolishing Section 21, which will now only be implemented once changes are made to the courts process. Reports have suggested that a target of June 2024 has previously been set for the Bill to receive Royal Assent.

### What are we going to need to consider as part of the new Bill?

As a landlord, we want to understand the true effects the Renters (Reform) Bill will have on our rental properties. We are sure that there will be minimal impact across the portfolio as Aequus continues to be a good landlord. We will review our relevant policies and procedures to ensure we maintain compliance and highest standards.

Now that the release of the Renters (Reform) Bill has been made public, we are yet to see any effect on proposed tenants; this no doubt will happen when the Bill is passed, and tenants truly understand their new rights.

## What is our property maintenance strategy and how are we going to prioritise works that need doing?

Aequus has recently undertaken its annual questionnaire to ascertain how tenants feel about standards of living. The questionnaire provides them with an open forum to highlight, and report direct any issues, comments, or concerns they have regarding property maintenance. Routine property inspections and inventories also form a basis for logging and keeping track of improvements. This includes larger scale improvements – for example kitchen replacement works, which we would schedule to take place at the end of a tenancy to minimise disruption.

A quarterly finance review of the maintenance budget is in place with the team to ensure spend is on track and within budget

### Rental Arrears Policy

Aequus put this in place for our tenants to ensure we act appropriately, proportionately, and fairly to our tenants if payments fall into arrears, and to minimise the risk of losses to ADL. This policy is issued by Gregory's upon any new tenancy to ensure tenants are aware of our approach from the outset. We currently have no rental arrears on our property portfolio as at 1st November 2023.



## Local Authority Housing Fund

ADL are supporting the Council with the delivery of the Local Authority Housing Fund programme to provide 22 homes for families with housing needs who have arrived in the UK via Ukrainian and Afghan resettlement and relocation schemes. The 22 homes will be purchased from the open market. As at 27th November 2023, we have legally completed on the purchase of 3 properties and anticipate the first tenants to move in during December 2023. To comply with the grant funding conditions, the programme needs to be delivered quickly to ensure all homes are completed by December 2024.

ADL will manage the LAHF tenancies via our contracted Rental Managing Agent who will undertake all the normal statutory checks, inventory and maintenance of the properties. Rentals will be capped for each property at the relevant Local Housing Allowance rate.

To ensure that the properties remain solely for affordable housing use, there is restrictive covenant on the title on the properties purchased through the grant funding to ensure their ongoing use solely for affordable housing purposes.

## Market Analysis

The rental market in Bath & North East Somerset is known for its high demand and relatively limited supply. The region attracts a diverse range of renters, including students, professionals, and families, due to its rich history, cultural attractions, and proximity to Bath, Bristol, and the surrounding countryside. This demand has led to increased rental prices and a competitive market for landlords.

The popularity of the area among renters means that properties often receive significant interest, leading to shorter vacancy periods for landlords.

Bath is home to two renowned universities, the University of Bath and Bath Spa University. This contributes to a substantial student population, with student accommodation being a key segment of the rental market, particularly for our HMO's.

The region includes cities, notably Bath and Bristol, making it an attractive choice for individuals who work or study in these areas but prefer a quieter and more scenic living environment.

Like many other areas in the UK, Bath & Northeast Somerset faces a shortage of affordable housing options. This can pose challenges for renters, especially those on lower incomes.

The market has seen an increase in rental properties, this will affect monthly values as tenants benefit from a wider choice. We continue to receive high interest and see multiple applications for each property let. We are pleased to report the quality of tenants remains strong.





## 5. Developments and Construction Delivery Pipeline

Aequus Construction Ltd (ACL) is the Council’s housing and development construction Company, delivering new homes in accordance with the Council’s objectives. As part of the Aequus Group, ACL is Teckal compliant providing a great deal of flexibility in how it supports the Council to deliver both market and affordable housing.

### ACL Development Pipeline – B&NES Council

The ACL pipeline development programme reflects our ongoing work with B&NES Council as our shareholder to progress a number of key sites through the planning process ready for future delivery for both market and affordable housing. Further work will be required on viability and governance approvals to progress to these to completion.

As part of the development pipeline, we will also be supporting the Council to identify those sites which may have opportunities for additional affordable housing provision, subject to funding and approvals. The delivery approach to support the B&NES affordable housing aspirations are set out later in this section.

### B&NES Development Pipeline – Construction Delivery

B&NES COUNCIL SITES	Market Units	Affordable Units	Total Units	
2022/23	7	9	16	
2023/24	0	33	33	
2024/25	0	59	59	<b>Business Plan Period</b>
2025/26	236	2	238	
2026/27	8	2	10	
Future Years	24	6	30	
<b>Sub Total</b>	<b>275</b>	<b>111</b>	<b>386</b>	

The pipeline illustrated above is very much the **baseline position** and we will work with the Council to identify further potential sites for both affordable and market housing delivery. As with any pipeline there is the potential for a range of issues to delay or alter the anticipated delivery programme and we will therefore seek to ensure the company can flex accordingly to progress delivery of at least +/- 100 units over this period. We will also factor this into our financial and resource monitoring, seeking to ensure resources are in place and appropriately balanced to maximise potential opportunities to scale up activity.

We will also continue to support the Council to identify suitable land for housing that can be made available through the One Public Estate Programme and develop partnerships with other local anchor institutions within B&NES to meet their housing needs for workers via the release of surplus land.

Aequus will support development and construction delivery of such sites in accordance with consents and approvals through the governance process.

## ACL Development Pipeline – South Gloucestershire Council

We have been working on our established partnership with South Gloucestershire Council (SGC) to deliver approved partnership sites using the agreed three stage process:

- Stage 1 – support site feasibility and submission of a planning pre-application.
- Stage 2 – support development of a full planning application
- Stage 3 – Full Business Case and delivery via a Sales and Overage agreement (subject to SGC and B&NES approval).

During 2024/25 we will be completing the first of our partnership developments sites at Manor Gardens, Frenchay, South Glos to deliver 30 low energy family homes.

The pipeline below is a baseline position and we are working with the Council on other agreed potential sites..

SOUTH GLOS COUNCIL SITES	Market Units	Affordable Units	Total Units	
2022/23	19	11	30	
2023/24	0	0	0	
2024/25	22	12	34	<b>Business Plan Period</b>
2025/26	0	0	0	
2026/27	0	0	0	
Future Years	0	0	0	
<b>Sub Total</b>	<b>41</b>	<b>23</b>	<b>64</b>	

## ACL Development Pipeline – North Somerset Council

The partnership approach with SGC has proved successful and we are now working closely with North Somerset Council to bring forward a number of sites through the same three stage process agreed used with South Gloucestershire.

NORTH SOMERSET COUNCIL SITES	Market Units	Affordable Units	Total Units	
2024/25	0	0	0	<b>Business Plan Period</b>
2025/26	25	75	100	
2026/27	71	39	110	
Future Years	0	0	0	
<b>Sub Total</b>	<b>96</b>	<b>114</b>	<b>210</b>	

Over the next few years, the progression of the pipeline across these three council areas working in partnership, will bring further stability and sustainability to the Aequus delivery pipeline. At present we have the potential to commence the delivery of over 600 units subject to planning consents and governance approvals.

## Completed Developments

The multiple award-winning development at **Riverside View**, Keynsham, completed construction at the end of 2019. All of the apartments were subsequently sold providing 95 new homes in Keynsham, helping to regenerate this area of the town whilst delivering significant financial returns to the Council/Shareholder.

The apartments have now completed their 2-year post completion defects period and the head lease was handed over to the tenant management company.



The scheme for 9 low energy family homes built to the AECB Building Standard in **St Josephs Court, Sladebrook Road, Bath** completed in June 2022. The site included 2 affordable shared equity homes purchased by the Council in support of its Housebuilding Programme.

The conversion into 7 social housing apartments of a Victorian property **117 Newbridge Hill, Bath**, previously used by the Council as office accommodation was completed in December 2022. This was the first new B&NES Council housing in nearly 3 decades.



Together with ADL refurbishments and other temporary accommodation refurbishments, a total of 217 units have been completed by Aequus by the end of March 2023.



## **B&NES Council Affordable Housing Delivery**

Aequus will deliver the planning policy requirements for affordable housing in all approved new build housing developments.

Aequus is also supporting the Council to deliver affordable housing on Council owned sites, particularly for social rent. A number of sites have been identified in the B&NES Development Pipeline, as set out earlier in this section, and which will support delivery of affordable housing in accordance with planning policy requirements. Where practicable and viable this will increase utilising identified Council funding, including grant funding from Homes England.

As the Council expands its portfolio of affordable housing through B&NES homes, it will be considering the implications of opening a housing revenue account for the purposes of holding and operating council owned housing. Aequus will support the Council as required to consider the various options and potential roles for the Aequus Group as part of this work. Any resulting proposals for the changes to the structure and / or operations of any part of the Aequus Group will be subject to specific decision making in accordance with the Shareholder Agreement.

Viability will also be a key aspect of the future affordable housing delivery. Effective use of any profits generated through the sale of B&NES market housing sites may support future additional affordable housing delivery and regeneration. In order to achieve this, In order to achieve this, Aequus will work with the council to explore options for efficient partnership structures to deliver its objectives.

### **Partnership Working**

In accordance with previously approved Business Plans, Aequus has continued to explore opportunities for partnership working to deliver housing developments. This work has resulted in positive progress with both South Gloucestershire Council and North Somerset Council.

The details of the development pipeline with each of these partners is set out above in this Section and has been considered in the evaluation and planning of company resources to deliver against these potential commitments.

Further potential partnership discussions will be subject to consideration by the Board and the Shareholder to ensure the priorities and resources of the Company are directed to meeting the agreed objectives.

Some interest in partnership working has been shown by other neighbouring authorities but at this stage no commitments have been made and any further discussions will be subject to the points above.

### **Delivery of Approved Development Sites and Properties**

ACL will work with its partner councils to identify the optimum form of construction for each development site. This will include, where appropriate, the use of Modern Methods of Construction to achieve any funding requirements or to speed the development of the site.

Aequus will deliver sites in accordance with the approved business cases and planning approval, taking all steps necessary to ensure the effective and most efficient mechanism for the disposal of any dwellings, commercial units and/or offices forming part the site or properties, and assets of the business. This includes entering into contracts, easements and deeds for the disposal of, or to facilitate the disposal of, such dwellings or commercial units and offices, and the right to form and control management companies or bodies for such purpose.

## 6. Financials

Aequus operates on a prudent basis to ensure a financially sustainable group of companies that delivers the Shareholder's objectives. All costs relating to the operation of the companies are covered by the rental and development proceeds.

The key drivers for financial sustainability of the group is the pipeline of development sites for ACL and the portfolio of private rented sector units under the management of ADL. This is summarised in sections 4 and 5 of this Business Plan.

A key objective for the companies is to deliver the annual revenue financial returns to B&NES Council as Shareholder. The financial models in this section illustrate how this should be achieved.

### Aequus Group Holding Ltd (AGHL)

AGHL is purely an investment holding company with the only anticipated transactions being dividends received from ACL or ADL. These dividends can then be transferred by way of a dividend payable to B&NES as Shareholder. AGHL will incur minimal operational costs that will be paid via ACL to ensure that AGHL remains a thin company with no operational activity.

In the event any future changes are made to the group structure, including the potential to establish a Limited Liability Partnership, AGHL provides flexibility to accommodate any such changes.

### Aequus Developments Ltd (ADL)

ADL is the property asset investment and rental subsidiary of AGHL. It is dedicated to providing rental homes for the community in partnership with B&NES Council. ADL is also the employer for all staff.

The main revenue source for ADL comprises of rental income from the property portfolio and appropriate recharges to ACL for the relevant cost of staffing resources and overheads. ADL also generates significant revenue returns for B&NES Council through interest returns.

### ADL Indicative Financial Profit & Loss

	ACCOUNTING FINANCIAL YEAR			
	23/24	24/25	25/26	26/27
	£'s	£'s	£'s	£'s
Income	1,560,105	1,635,470	1,729,659	1,768,523
Direct Costs	-192,698	-156,462	-160,374	-164,383
Interest	-225,860	-320,080	-360,100	-340,870
Overheads	-1,081,827	-1,150,043	-1,178,794	-1,208,264
<b>Profit after tax</b>	<b>59,721</b>	<b>8,885</b>	<b>30,391</b>	<b>55,006</b>
Taxation	-14,930	-2,221	-7,598	-13,752
<b>Distributable Profit after tax</b>	<b>44,791</b>	<b>6,664</b>	<b>22,793</b>	<b>41,255</b>

### Key assumptions

- Inflation rate of 3.5% applied for 24/25 and then 2.5% from 25/26 onwards
- Debt interest rate high EU reference rate at 5.25% plus 1%
- The sale of 7 Riverside View apartments have been excluded as all proceeds will be used to repay the outstanding loan and any gain will be used to repay outstanding debt on the remaining 5 Riverside View apartments to ensure viability.
- Corporation tax 25%

## Aequus Construction Ltd (ACL)

ACL is the construction and development subsidiary of AGHL and, delivers the majority of the financial returns for the group of companies. All approved housing development sites are currently delivered via ACL, however there could be an opportunity for future large B&NES Council developments to be delivered via a limited liability partnership to maximise tax efficiencies and reinvestment in additional affordable housing.

The main revenue source for ACL comprises of sales values from private or affordable housing sales directly to the market or the affordable housing provider, as appropriate. Our development profit will be based on an appropriate assessment of profit on cost.

The full cost for each development site (including land, financing, construction, and all associate fees) is appraised against the revenue generating potential with the aid of external independent specialists. Each appraisal also includes an amount to cover corporate overheads and management costs (e.g. finance, company admin, accommodation etc).

ACL is also delivering a number of affordable housing developments for B&NES Council, charging an overhead recovery rate only, and with the usual profit margin waived.

Additionally, ACL is working in partnership with South Gloucestershire Council to carry out works for initial design, planning and business case development. This will be expanded early in 2024 to include partnership working with North Somerset Council.

The summary forecast profit and loss account below provides for investment returns to be paid to the Council (as Shareholder) to meet the total financial return objectives which have been set for the Company and which are included in the Council's Medium Term Financial Plans. **All such returns are subject to a pipeline of development sites being available in order to maintain a viable company.**

	ACCOUNTING FINANCIAL YEAR			
	23/24	24/25	25/26	26/27
	£'s	£'s	£'s	£'s
<b>Company Sales</b>				
B&NES Council				17,150,000
South Glos Council	4,536,000	7,010,000		7,000,000
North Somerset Council				6,000,000
<b>Commissioned Income</b>				
B&NES Affordable Homes	1,998,837	7,119,412	8,357,365	
Commissioned Services	767,512	973,777	449,285	300,000
<b>Total Sales</b>	<b>7,302,349</b>	<b>15,103,189</b>	<b>8,806,650</b>	<b>30,450,000</b>
<b>Costs</b>				
Development Costs of Sales	-3,836,182	-5,985,174		-25,627,500
Affordable Housing Cost of Sales	-1,872,510	-6,656,650	-7,714,136	-100,000
Commissioned Services Costs	-717,073	-910,481	-420,081	-280,500
<b>Gross Profit / Loss</b>	<b>876,583</b>	<b>1,550,883</b>	<b>672,432</b>	<b>4,442,000</b>
Overheads & Finance Costs	-525,813	-632,754	-648,573	-664,787
Interest on deposit	72,790	25,000	25,000	25,000
<b>Profit before tax</b>	<b>423,560</b>	<b>943,129</b>	<b>48,859</b>	<b>3,802,213</b>
Taxation	-105,890	-235,782	-12,215	-950,553
<b>Distributable Profit after tax</b>	<b>317,670</b>	<b>707,347</b>	<b>36,645</b>	<b>2,851,660</b>
<b>Balance B/F</b>	<b>1,936,287</b>	<b>1,479,817</b>	<b>1,609,908</b>	<b>989,063</b>
Dividend payable to AGHL	-774,140	-577,256	-657,489	-1,166,899
<b>Balance C/F</b>	<b>1,479,817</b>	<b>1,609,908</b>	<b>989,063</b>	<b>2,673,824</b>

### Key assumptions

- All housing developments are currently assumed to be delivered via ACL
- Overhead & finance costs inflation 3.5% 24/25 decreasing to 2.5% 25/26 onwards
- Development profit from Company Sales has been assumed at 15%
- Pipeline B&NES affordable homes to be complete by the end of 25/26
- Future market sales from 27/28 have been excluded
- Corporation Tax 25%
- Dividend payments to AGHL to meet the Council's revenue return are in line with housing development sales and are expected to increase in 26/27 subject to the pipeline coming into fruition.

## Council (Shareholder) Returns

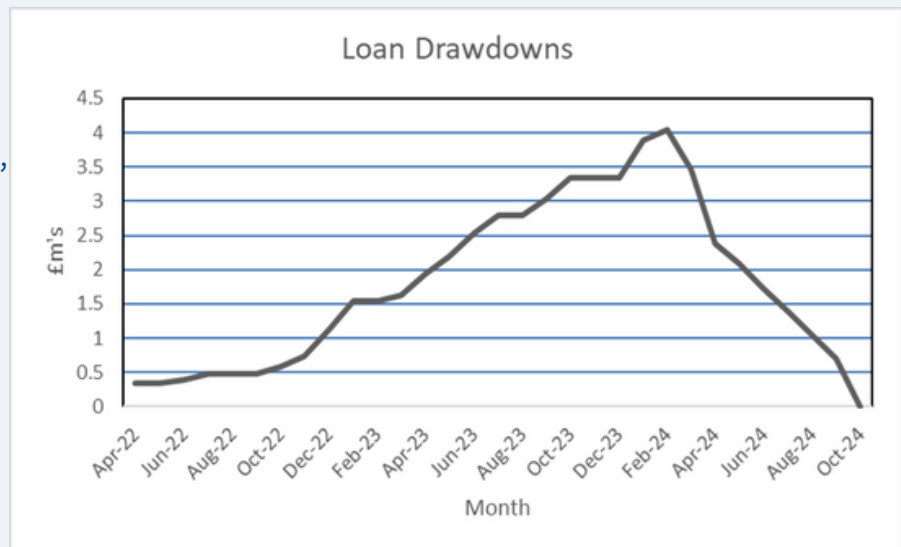
The Council has currently set a target revenue return from the companies of £1M per year. The returns are generated from the commercial interest rates charges by the Council on Aequus loans together with dividend returns from company profits.

Aequus Revenue Returns to the Council	Actual 2023/24 £'000	Budget 2024/25 £'000	Estimate 2025/26 £'000	Estimate 2026/27 £'000
ADL - Borrowing - Interest Charges	226	423	343	333
ACL - Borrowing - Interest Charges	-	-	-	-
AGHL - Dividend	774	577	657	1,167
<b>Total Return to the Council</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,500</b>

Subject to pipeline and actual sales achieved, we will seek to increase the returns to B&NES to £1.5M from 2026/27.

## Current Development Loan Position

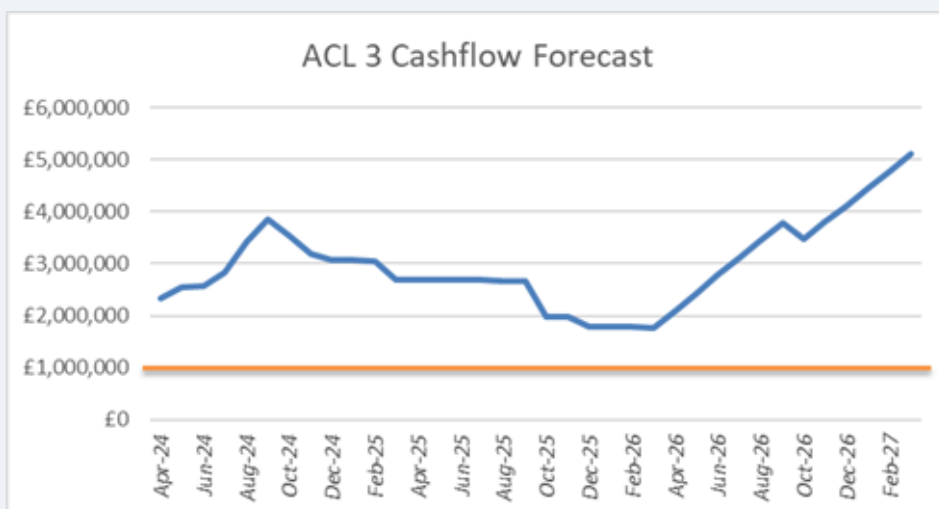
The Council is the sole source of development finance for development of Council owned sites, other sites will vary although the Council has the first option on any financing requirements. All our development borrowing is site specific and subject to individual loan agreements the Council or other party at commercial rates of interest. Where applicable, this provides an important part of the overall revenue income stream to the Council.



The approved development loan with our partner South Gloucestershire Council is in line with their capital programme, with the peak debt forecast position projected to reach £4m and a loan to value (LTV) of 35%. The loan is expected to be fully repaid by October 2024 (shown in the chart below).

## ACL Cashflow Position

ACL is in a positive cash position, assuming that the housing developments included in the pipeline progress into sales within the proposed time scales. The cashflow has been modelled for 3 years from 24/25 to 26/27.



### Key assumptions

- All housing developments are currently assumed to be delivered via ACL
- Future dividends payment of £774k for 23/24, £680k for 24/25 and £640k for 25/26 to enable AGHL to pay dividends to B&NES to meet £1m revenue return potentially increasing to £1.5m from 26/27.
- £1m of cash to be retained by ACL to ensure financial viability (highlighted in orange)



## 7. Meeting the Climate Emergency Challenge

From launch, Aequus has been supporting B&NES Council in facing the growing challenge of tackling the climate emergency through a forward-thinking approach to the design and delivery of housing within the built environment.

Aligning with the Council's objectives, Aequus seeks to be an exemplar in developing sustainable housing and communities that reduces energy consumption and minimise carbon emissions. Using the principles set out in the AECB low energy standard, this has been evidenced with the delivery of new housing, including at Sladebrook Road, Bath, which achieved an energy performance certification A rating through the design of a highly insulated and airtight fabric, and with the addition of renewable energy sources. Aequus housing is designed to improve air-quality, thermal comfort, and the overall well-being of residents. Our strategy aims to address the issues of rising energy demands, environmental degradation and climate change concerns, thus helping to set B&NES on a path towards a sustainable and low-carbon future (net-zero by 2030).

### Building Design Strategies

- We will continue to develop our policy of delivering open market low energy homes.
- Our passive design principles optimise natural lighting and ventilation through strategic orientation and window placement. We also optimise thermal insulation to minimize heat loss and unwanted gains. We minimise overheating by utilizing shading devices and high performance glazing to regulate solar heat gain.
- We will install energy-efficient technologies; HVAC systems with high efficiency heat pumps, heat recovery ventilation, and smart controls. We will utilize energy-efficient lighting, appliances, and fixtures. We will implement smart metering and energy monitoring systems to promote energy-conscious behaviour among residents, and where possible, integrate home automation systems to optimise energy consumption and comfort.
- We will integrate renewable energy by incorporating solar photovoltaic (PV) panels on rooftops to generate clean electricity. We explore opportunities for the use of other renewable technologies as they develop for the housing market.
- We will explore and encourage the use sustainable and locally sourced materials with low embodied carbon.

### Environment Design Strategies

- By researching and understanding existing communities we will ensure all new schemes are carefully integrated. We will aim to reduce reliance on car use, supporting health and well-being through the inclusion of walking and cycling routes, as well as access to public transport.
- Where possible allotments, or shared growing spaces, will be provided to allow residents to come together and take advantage of community food growing initiatives.
- All sites will as a minimum deliver 10% biodiversity net gain, aiming to achieve this on-site.



## Stakeholder Engagement

- We will collaborate with local authorities to develop sustainable housing policies, guidelines, and incentives, streamlining planning processes to facilitate the construction of sustainable, low-energy homes and establish partnerships with relevant organizations to provide technical expertise and resources.
- Through community engagement we will raise awareness among residents about the benefits of sustainable, low-energy homes. Our demonstrations and information packs will assist occupiers in getting the best out of their home and their environment.

Aequus has the potential to deliver up to 1000 low-energy homes in the pipeline set out in Section 5. The adoption of sustainable and reduced carbon principles for new build housing developments will enable us to make a significant contribution in responding to the climate emergency.

Refurbishment of existing properties present their own challenges in considering energy efficiency, particularly when the works include alterations to listed buildings. For these properties, Aequus will seek to improve the certificated energy performance standards of the property to the best achievable level practicable, within the regulatory and financial constraints.



## 8. Key Dependencies

As with any commercial operation, there are a number of key factors or dependencies which have the potential to significantly influence the outcome of the Company activities, these are set out below.

### Future Pipeline and Site Acquisitions

Aequus relies on the identification of suitable development sites and properties from B&NES Council to maintain sustainable companies and deliver the Shareholder's objectives, both in terms of financial returns and housing delivery. This pipeline of B&NES Council sites will be supplemented with site acquisitions, particularly from the partnership working arrangements with South Gloucestershire Council and North Somerset Council. This will help to maintain the Companies viability whilst the B&NES Council pipeline is developed.

The anticipated pipeline of ACL development sites from the Council and partnership working is summarised in Section 5. This may be further supplemented with new emerging sites, Council site acquisitions, or potentially development opportunities arising with other local authorities.

### Supply Chain and Construction Costs

Over the past 12 months, whilst the spike in tender price inflation from last year has slowed, construction cost increases are still predicted for this year of 3-5%. There continue to be shortages of goods and some labour skills. The latter is an after effect of Brexit, which is only slowly being addressed by workers from non-EU countries. Materials availability has generally improved, but lead-in periods are still longer than pre-Covid levels and certainty of delivery is variable.

Contractors remain busy tendering and are becoming more selective in their interest in tendering complex, long duration, projects where cost increases and risk allocation would erode their margin. Profit margins, pre-tax, for contractors seems to be running around 1-3%, which is not sustainable. More contractors are likely to experience cashflow difficulties and more 'established names' are likely to cease trading, such as Jehu (October 2022), Midas (January 2022).

Aequus will continue to seek fixed contract pricing as far as practicable, utilising frameworks such as B&NES, West Works, and SWPA for smaller value contracts and the procurement of a longer-term construction delivery partnerships subject to quality and cost performance.

### Planning Permission

In order to deliver new and refurbished housing development, Aequus relies on planning and listed building permissions (where appropriate) from the relevant planning authority. All proposals will be based on the brief provided by the Shareholder (or partner) and will seek to deliver the required level of sustainability, accessibility and affordable homes in accordance with the planning policy and viability for each site.

Planning authorities are generally struggling with a skills shortage and this can lead to longer than anticipated timescales for decisions to be determined.

### Political

A range of potential political factors at both a national and local level may impact on the operations and activities of the Company. Both short and long term national political decisions may impact on the housing market and housing delivery.

Local political decisions may also impact the Company, particularly the Shareholder's or local authority partner's authority objectives for the development on pipeline sites. The updated Company aims and objectives included in this Business Plan reflect the recent guidance provided by the Shareholder and B&NES Council officers.

### Funding

The availability of working capital and development loan funding forms a key part of any development viability proposal. Aequus will seek funding primarily from its Shareholder, or relevant local authority partner, under the specific development and working capital loan funding arrangements in place.

The Company may also explore sources of alternative funding, including partnerships within both private and public sector companies, where appropriate. All funding will be subject to approval of the Shareholder and undertaken at appropriate commercial rates, with relevant due diligence and security.

Aequus has repaid in full all development loan funding it has received for completed developments along with commercial interest rate charges. All development loans are subject to strict loan to value criteria.

## Housing Market Outlook

For both market sales and private rented properties, market conditions determine demand and pricing strategy. We continually monitor the market situation, utilising information from a range of sources.

Sales from our current site in progress at Manor Gardens have been slow but steady, with prices holding up well, exceeding business case estimates. This reinforces the prudent approach we have taken to the development of business cases, utilising mid-range averages from at least three agents to support the determination of gross development value. We will continue to operate in a prudent manner, avoiding optimism bias, and benefitting from profit overage where we are able exceed anticipated sales values.

### ***The following commentary is from Knight Frank – November 2023:***

- The lending outlook is improving for the housing market but psychological milestones remain, Knight Frank states.
- The latest UK market commentary from the agency and property brand said the usual seasonal autumn bounce for property was non-existent this year due to high mortgage rates and speculation over where the bank rate will peak.
- More positive signs have begun to emerge over the past seven days with the rate of inflation falling, according to the head of UK residential research at Knight Frank.
- He said: “That is undiluted good news for anyone buying or re-mortgaging as the BoE’s task of taming inflation by raising rates feels closer to completion.

- “The BoE could even start cutting rates as soon as next February, said influential Wall Street bank Goldman Sachs last week. Admittedly this would be in response to a weaker-than-expected economy, but the second quarter next year was the most likely time for a cut, the bank said.”
- Inflation dropping under 5% underlined the “importance of psychological milestones” in financial markets, adding, “something that has become increasingly apparent for anyone buying or re-mortgaging.”
- The head of Knight Frank Finance, said the cheapest five-year fixed-rate mortgages have fallen from just over 5% to almost 4.5% in two months.
- He said: “With the five-year swap rate not much lower than that, margins are getting thin for lenders keen to do business in a low-volume housing market.
- “The recent rate drops show lenders are feeling more positive about the outlook and there is an impact beyond the cut. Lower rates mean lenders have more opportunities to help borrowers which itself will lead to a more liquid and competitive lending market.”
- There are glimmers of hope ahead he concluded: “The fact the five-year swap rate is currently lower than the bank rate demonstrates that financial markets believe the direction of travel for borrowing costs is down.
- “As mortgage costs fall, a seasonal bounce next spring gets more likely.”
- Risks do remain though, “A General Election campaign tends to create a national mood of uncertainty while any escalation of the conflict in the Middle East could prove inflationary if energy markets are rattled, which would put upwards pressure on rates again.
- “The outlook for the UK housing market is certainly improving but next year won’t be hurdle-free.”



# 9. Governance

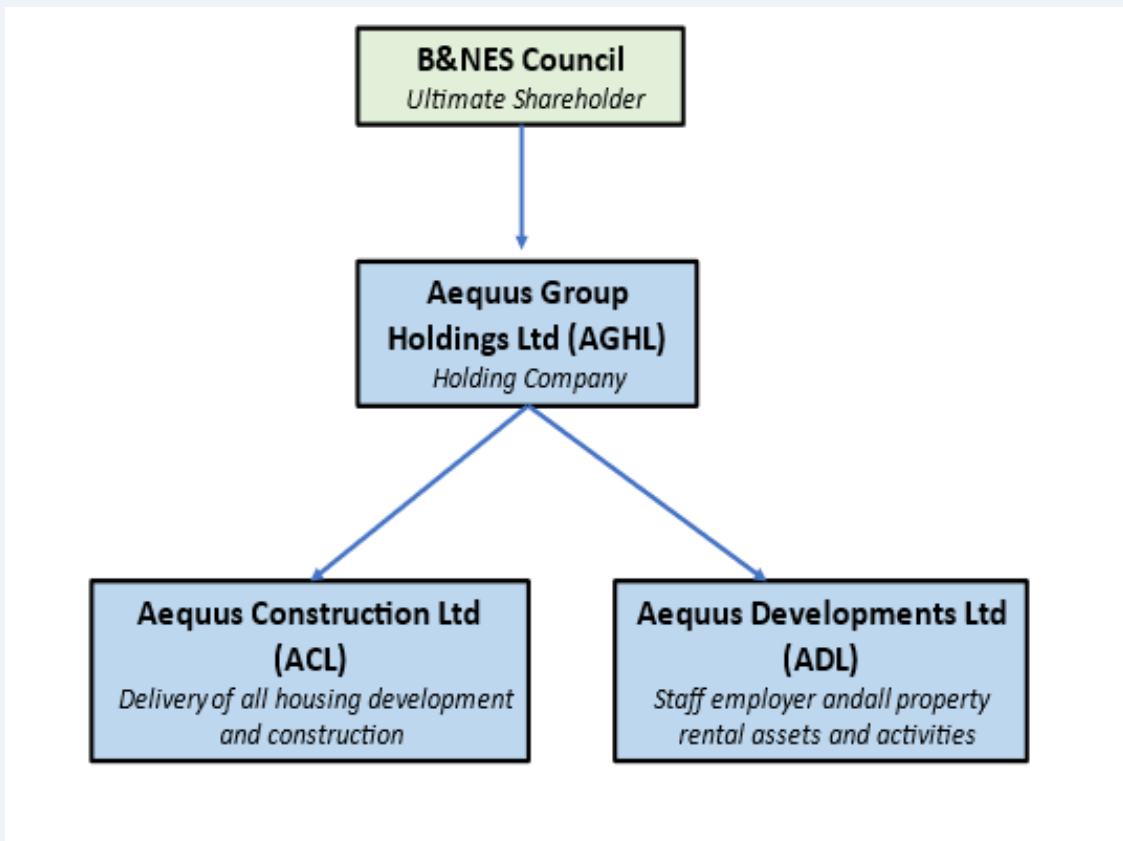
## Company Structure

Aequus Group (AGHL, ACL & ADL) is a small organisation that currently consists of 11 employees and 7 non-executive directors.

As Aequus has matured in terms of activity and finances over recent years. In 2021, it was identified that ADL's role as holding company, its operational activities and risks, were not aligned to provide an efficient and effective corporate structure for the Shareholder.

It also clouded the dividend line between ACL and the ultimate Shareholder – B&NES Council because, dividends could not be paid directly from ACL to the Shareholder. After seeking legal and financial advice, it was proposed that a new holding Company (AGHL) should be incorporated as an investment holding company to address the issues and also providing more flexibility for the future should the Company continue to develop its activities.

Importantly, this new structure retains the existing Shareholder control of the Companies and their Teckal compliant structure. Aequus Group Holdings Ltd was incorporated on 5th April 2022.



As AGHL is the main entity exercising control between the Council and ADL/ACL, it was proposed that the ADL board should remain the same and be mirrored in AGHL, and for consistency, also ACL. Therefore, the Board of Directors now over see AGHL, ADL and ACL.

## The Aequus Board

The governance of Aequus Group is overseen by the Shareholder (B&NES) and its appointed Board of Directors which currently consists of up to 3 Executive Directors, a Non-Executive Chairman and 6 Non-Executive Directors.

The Board meets at least 4 times per year on a face-to-face basis with ad-hoc and virtual meetings able to be called as required.

The Board members are recruited for their specific skills and expertise covering the range of disciplines and operations of the company – these include:

- Accountancy & Finance
- Town Planning
- Construction
- Architecture
- New homes, sales, development and property management
- Housing Associations

The Board currently comprises:

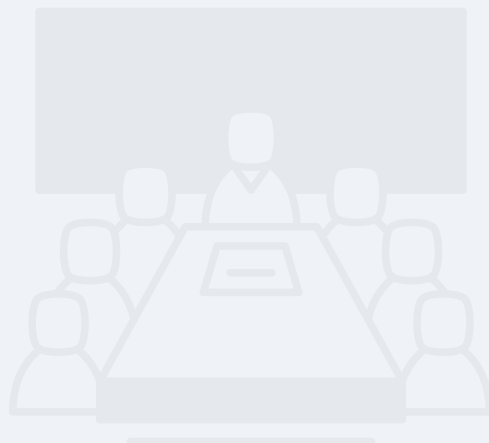
Charles Gerrish – Chairman  
Bob Marshall – Non-Executive Director (2nd term)  
Les Kew - Non-Executive Director (2nd term)  
Michelle Hyde, Non-Executive Director (2nd term)  
Alexander Wright, Non-Executive Director (2nd term)  
Liz Pickering, Non-Executive Director (1st term)  
Vic O'Brien, Non-Executive Director (1st term)  
Tim Richens, Managing Director  
Derek Quilter, Executive Director of Operations

*During the latter part of 2023 and early 2024, the Shareholder will be recruiting a new Chair as Charles Gerrish reaches the end of his maximum 2 terms at the helm.*

The Aequus Board also operates two sub committees:

**Audit & Risk Committee** - was established in 2023 due to the increase in activity of the Companies. The committee has the responsibility of providing independent assurance to the members of the Aequus Board and the Shareholder, on the adequacy of the risk management strategy, health & safety, the internal control environment, and the performance assessment of the company. An Independent Chair, Brian Cronin, was appointed in 2023 and the rest of the membership is made up of 4 Non-Executive Directors and 2 Executive Directors.

**Remuneration Committee** – was established in 2018 and has delegated responsibility of overseeing the remuneration policy, with the support and advice of relevant professionals, for all of the Aequus Group workforce and all related human resources policies and performance related pay. The committee comprises of 4 non-executive directors and 2 executive directors.



## Shareholder Governance

There are various governance arrangements in place for the Shareholder and its representatives to monitor and review the performance of Aequus.

- Lead Officer Meetings – meet monthly and the purpose is to:
  - to monitor the performance of Aequus in relation to its business plan and objectives
  - to address policy and procedural matters that facilitate the effective operation of Aequus
  - to keep Aequus abreast of future development sites and site objectives
- NED & Shareholder Meetings – 3 Non-Executive Directors meet twice yearly with the Shareholder to provide an interim update and deal with any matters that need addressing.
- Interim and Annual General Meetings – Twice yearly to agree company performance, financial accounts and resolutions that require Shareholder approval
- Corporate Policy, Development & Scrutiny Committee – twice annually to present company performance
- Audit Committee – to note Company Final Accounts
- Investment Board (Council Only)
- Shareholder Advisory Group (Council Only)

## Approval Process of Business Plan

The business plan will be updated and reviewed annually by the Corporate Policy, Development & Scrutiny Panel and then approved by the Shareholder prior to the start of the next business year.

## Business Cases approval

We have a 3-stage process requiring Shareholder and Partner Council approval of any business case as detailed in section 5 above

## Local Authority Partnership Governance

The local authority quarterly oversight board meetings currently take place with South Gloucestershire Council senior officers. This arrangement will be put in place with any other local authority partnership arrangements that are formed.

The purpose of the meetings is to:

- Update on progress with agreed development sites through the three-stage process.
- Provide a steer on future site objectives and outputs.
- Consider and review Initial and Final Business Cases for agreed development sites.
- Review and monitor the sales and overage reporting.

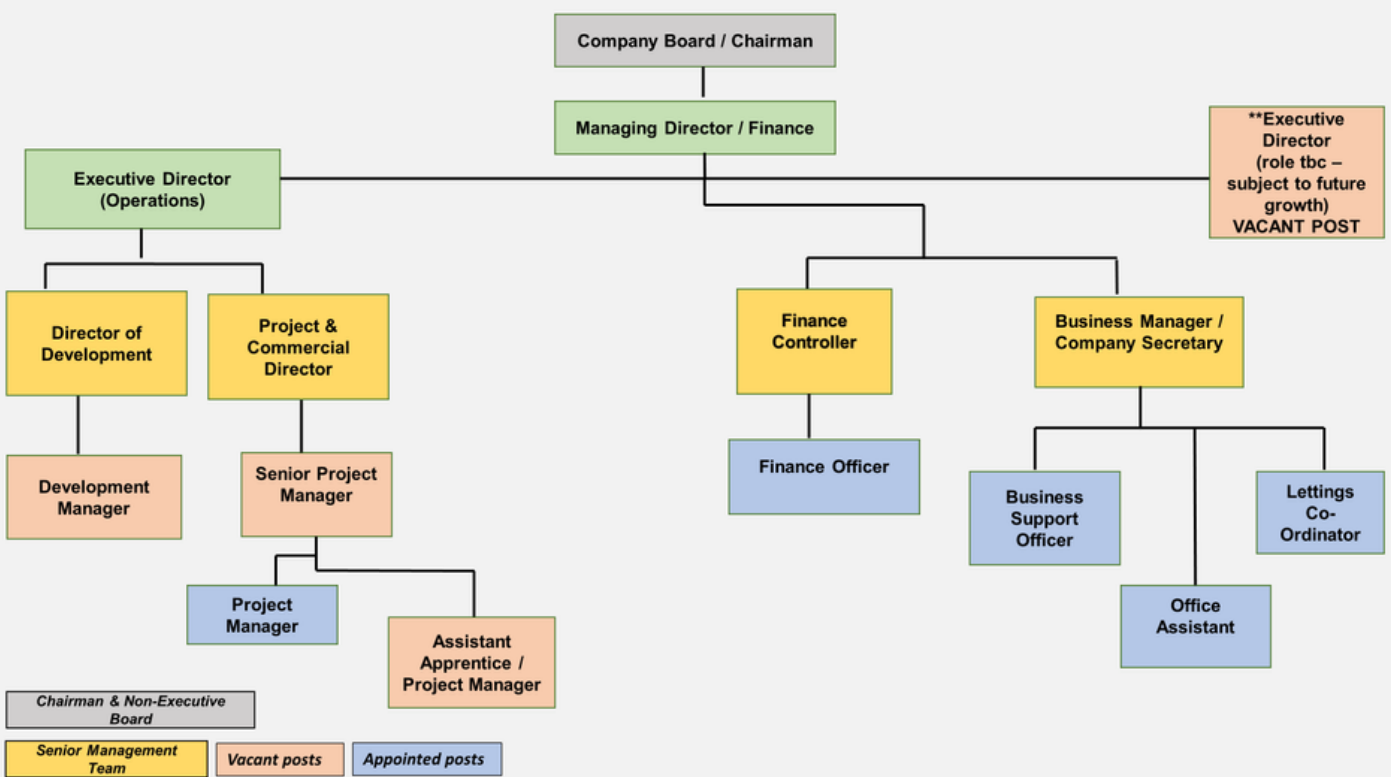
There are also regular monthly Lead Officer meetings with the relevant partner client officers to oversee operational delivery and related matters.

# 10. Resourcing

The Aequus executive & officer team reflects the business activity of a company and can expand or contract as the pipeline develops over the business planning period. This core team of officers can be supplemented by external partners and contractors as necessary to achieve and maintain delivery.

The Senior Leadership Management Team is made up of the Managing Director, the Executive Directors, the Director of Development, Project & Commercial Director, Finance Controller and Business Manager to oversee the day to day operation, management and governance of the Company.

The officer structure is set out below:



The team of staff, and skills required to support the business will be kept under review in line with the actual delivery activity of the Companies. This means that a number of posts are currently held vacant to reflect a current level of actual construction activity. These roles will be recruited as and when required by the actual construction and delivery activity. All staffing matters and any changes to the staffing structure are overseen by the Remuneration Committee.



## Working with Us

Aequus does not seek to retain all the skills and resources to deliver our objectives in-house. We therefore work with a variety of contractors to support us. Aequus is bound by the Public Contract Regulations 2015, however, we have a positive “Think Local” approach and endeavour to work with local suppliers where possible. We build good working relationships with our existing suppliers and look forward to building our network for future developments.

### Our current key partners are:

- Gregory’s Estate Agent: Private Rental Agent responsible for managing our rental portfolio (we will be re-tendering this contract in 2024) & Joint Sales & Marketing Agent for Manor Gardens Development
- Bishop Fleming Accountants: Statutory Accounts & Audit (4-year contract to include each of the years 2021/2022 through to 2024/2025).
- Ashfords LLP: All legal and conveyancing.
- Vistry Group: main house building contractor for Manor Gardens development.
- Connells Estate Agent: Joint Sales & Marketing Agent for Manor Gardens development.

Aequus have procured various consultancy frameworks for the following disciplines:

Asbestos Surveyor  
Building/Party Wall Surveyor  
Quantity Surveyor  
Structural and Civil Engineer  
Sustainability Consultant

As a wholly owned Council company we also look to use Bath & North East Somerset Council’s framework arrangements as much as possible. This gives us access to a wide range of local suppliers. We also seek suppliers for a range of contracts for works, goods and service using the Supplying the South West portal (see [www.supplyingthesouthwest.co.uk](http://www.supplyingthesouthwest.co.uk)) We also advertise all procurement opportunities on our website (<https://www.aequusdevelopments.co.uk/working-with-us/>).