

Analysis of Options Table One

Option/ Criteria	Do Nothing	50 – 200 dwellings	Site by Site disposal	HRA	Investment Partner/ Joint Venture	Joint Venture with an RP
Mechanism for holding existing residential property portfolio	X	✓ ¹	X	✓	X ²	X
Ability to create a future residential property portfolio by development/acquisition	X	X ³	X	X ⁴	X	X
Ability to generate income for the Council	X	✓	X	✓	✓ ⁵	✓
Ability to trade assets and services	X	X	X	X	✓	✓
Make best use of the Council's	X	X ⁶	✓	X ⁷	✓	✓

¹ Only for affordable housing

² Council's property portfolio likely to be unattractive to JV partners

³ Possible but only up to a maximum of 200 units and only for affordable housing.

⁴ The costs of reopening the HRA would be too high

⁵ Income would be shared

⁶ Under this option housing would need to be Affordable Rent (80% OMR) therefore financial returns will not be maximised but other objectives of the Council will be met e.g. meeting housing needs.

existing property assets to create a revenue stream/capital receipt for the Council						
Provide quality homes/improving housing stock in the PRS	X	X	✓ ⁸	X	✓	✓
Addressing difficulties in affordable housing delivery through RPs	X	✓	X ⁹	✓	✓	✓
Temporary accommodation – address potential shortfall & deliver differently¹⁰	X	X	X ¹¹	X	X	✓
Control over outputs e.g. property type tenure rents and returns	X	X	X ¹²	X	X	X

Analysis of Options Table Two

⁷ Under this option rents would be less than Open Market Rent therefore financial returns may not be maximised. Other objectives of the Council would be met e.g. meeting housing needs.

⁸ Could be achieved through terms of sale but would compromise achieving maximum value

⁹ Could be achieved through terms of sale but would compromise achieving maximum value

¹⁰ Can be delivered by the Council in the general fund.

¹¹ Could be achieved through terms of sale but would compromise achieving maximum value

¹² Could be achieved through terms of sale but would compromise achieving maximum value

Option/ Criteria	Wholly owned company(ies) Limited by shares	Company(ies) limited by guarantee	LLP	Community Interest Company		
Mechanism for holding existing residential property portfolio	✓	✓	✓	✓		
Ability to create a future residential property portfolio by development/acquisition	✓	✓	✓	✓ ¹³		
Ability to generate income for the Council	✓	X	✓ ¹⁴	X ¹⁵		
Ability to trade assets and services	✓	✓	✓	X		
Make best use of the Council's existing property assets to create a revenue stream/capital receipt for the Council	✓	X	✓	X		
Provide quality homes/improving housing stock in the PRS	✓	✓	✓	✓		

¹³ Provided this activity can meet the community interest test

¹⁴ The Council would require a partner therefore the income may need to be shared

¹⁵ Distribution of dividends is limited, restricting the ability of the Council to benefit from surpluses

Addressing difficulties in affordable housing delivery through RPs	✓	✓	✓	✓		
Temporary accommodation – address potential shortfall & deliver differently¹⁶	✓	✓	✓	✓		
Control over outputs e.g. property type tenure rents and returns	✓	✓	X ¹⁷	✓ ¹⁸		

¹⁶ Can be delivered by the Council in the general fund.

¹⁷ The Council will need a partner therefore could not exercise 100% control

¹⁸ The company would need to demonstrate a community interest