

ANNEX 6

Analysis of Financial Options

Option	HRA Receipt	HRA receipt reduced to 50% if diverted to General Fund	Comments
Option One – To support the leasehold sale of the three sites to housing associations	£100k (based on £5k per plot for 20 houses)	£50k (based on DCLG clawing back 50% of receipt)	<ul style="list-style-type: none"> • All of the receipt can be used to invest in Housing meeting the decent homes standard. • If the receipt is not spent on meeting the decent homes standard this 50% has to be returned to DCLG. • The City attracts £2.5m of investment in its housing stock.
Option Two – Retain the land within the HRA	£0k	£0k	<ul style="list-style-type: none"> • Forgo £2.5m of investment in the housing stock. • Continuation of anti social behaviour.
Option Three – Sell the land on the open market	£900k maximum based on 20 homes @ £45k per plot	£450k (based on DCLG clawing back 50% of receipt)	<ul style="list-style-type: none"> • All of the receipt can be used to invest in Housing meeting the decent homes standard. • If the receipt is not spent on meeting the decent homes standard this 50% has to be returned to DCLG. • The Council forgoes investment of £2.5m in its housing stock. • The council does not meet it's affordable homes targets