Appendix 3 Alternative Development Delivery Options

- **Direct Disposal - an unconditional open market site sale**
    - Council has no control, and the developer has all risk/upside. Quickest route to obtaining a capital receipt but won't achieve best price and likely to incur capital losses. Overage clauses can be imposed to share in any additional value from the scheme built out.
- **Conditional Disposal - a sale subject to planning or other conditions.**
    - Takes longer but achieves a higher price as it reduces the developer's risk. Council can impose its own controls. Receipt dependent on density. Potential for losses. Overage clauses can be
    - imposed to share in any additional value from the scheme built out.
- **Joint Venture - the Council partners with a developer or landowner (i.e., provider of social housing)**
    - SBC puts in the land and the partner funds the development costs. Typically, there is joint
    - decision making. Council’s desired outcomes and controls are set as part of the procurement process to select a partner.
- **Master Developer - the council partners with a developer, upon receipt of planning, other specialist developers are procured for different aspects of the scheme.**
    - Best suited to large single sites such as urban extensions/green belt.
- **Direct Development - SBC undertakes schemes at its own cost/risk.**
    - Not a viable option where there is a need for borrowing to fund build cost.
- **Securitisation - Forward funding arrangement**
    - An investor delivers the required scheme at their cost in return for the council taking or guaranteeing a lease for 35-50 years at a market rent. Development can revert to the Council at the end of the lease term and the Council can lease properties to offset rental costs. This option is not generally considered suitable for Councils.