

## Talke Road, Alsager

### Option 7: The Council to develop out a residential development itself.

#### Advantages:

1. The Council would retain control over what is being developed.
2. Potential for higher financial returns (revenue) and 100% of value will be retained.
3. The land in question has been allocated in the Local Plan; site LPS 21 and will contribute towards the development of 550 houses.

#### Disadvantages:

1. The Council would have to accept the cost risk of development of a brownfield site for a relatively small scheme at a time of heightened economic uncertainty, with inflationary pressures for construction costs.
2. A comprehensive and cohesive development in a plan-led way will not be delivered.
2. Mobilisation cost would not be shared over site; remediation of the wider site would not be dealt with in a holistic way, leading to increased cost and risk.
3. The Council currently does not directly deliver housing development and does not have the expertise to do this. There would be a significant outlay in order to employ the specialisms required.
4. The Council would need to borrow in order to finance the developments as considerable capital injection required to deliver this option. This would need to be incorporated into the MTFS at a time Capital and Revenue is challenged due to the economic circumstances in the UK.
5. The Council would own all the risk and liability associated with developing the site. Site abnormalities, constraints and risks would need to be addressed.
6. The Council does not have the ability to appeal any planning decision if a planning application is refused for any reason, elevating the risk related to sunk costs in comparison to other developers.
7. The Council does not have a Housing Revenue Account and it would be unlikely to be beneficial to take this step.

#### Financial return:

A capital receipt will be received.

#### Financial costs short term

- The Council would still be responsible for the site throughout the development.
- Finance would be required to deliver this option. Funding is not identified within the current Medium Term Financial Strategy (MTFS).

#### Financial Costs longer term

- Management costs will be required.

#### **Considered as a Disposal of Public Open Space under legislation:**

Yes

OFFICIAL