

Option	Description	Advantages	Disadvantages	Costs/taxes payable	HTS Income / profits on disposal	HTS Legal fees - HTS side	HTS Corp. Tax	Net (cost)/Benefit to HTS	Stamp duty (paid by HDC)	Net (cost)/Benefit to HDC	Net (cost)/Benefit total
1	Sell 5 properties to HDC - tenanted	1.Tenants remain in situ. 2. Rental income continues and passes to council. 3. Harlow Council pays lower capital cost 4. addition of 5 properties to HRA stock. 5. enables H&R to be wound up and removes outstanding debt from group balance sheet.	1.Receipt to HTS is lower due to Existing Use Valuation (EUV)(estimated to be 10% difference) 2. Current mixed rentals may create difficulty on Housing systems. 3. Stamp duty payable by HDC. 4. Headroom in the Housing Capital Programme to be created to facilitate borrowing (but partially reduced through RTB receipts application.	1. HTS pay Corporation tax on profits / gain in value 2. Legal fees 3.Stamp duty on property values	139,100	(5,000)	(34,775)	99,325	(58,028)	(58,028)	41,297
5	Transfer entire H&R company to HDC ownership	1. Tenants remain housed 2. Moves ownership away from HTS. 3. Property ownership is retained along with rental income.	1.Properties remain separately owned by H&R company, would still need to be accounted for separately. 2.Stamp duty payable at 0.5% of balance sheet net assets value. 3. Stamp duty on sale of properties would occur later if/when sold to HDC. 4. Costs and governance/Admin of the Co transfers to HDC	1. Stamp duty on company value at 0.5% (Net Asset Valuation basis) 2. Future Stamp duty liability on property sales/transfer if acquired by HDC 3. Ongoing Governance/admin costs of running the Co under Council control.				0	(2,350)	(2,350)	(2,350)
6	Do nothing. HTS Continue to manage the 5 properties.	1.No costs. 2. no impact on Tenants	1. Does not facilitate rationalisation of group structure 2. HTS have to continue to monitor and manage small number of properties for low return.	None other than ongoing administration of the properties and Company.				0		0	0