



CABINET

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To: Councillors Barkley (Vice-Chair), Bokor, Harper-Davies, Mercer, Morgan (Chair), Poland, Rollings, Smidowicz and Taylor (for attention)

All other members of the Council
(for information)

You are requested to attend the meeting of the Cabinet to be held in Virtual Meeting - Zoom on Thursday, 7th May 2020 at 6.00 pm for the following business.

Chief Executive

Southfields
Loughborough

24th April 2020

QUESTIONS UNDER CABINET PROCEDURE 10.7

5. QUESTIONS UNDER CABINET PROCEDURE 10.7

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The deadline for questions is noon on Wednesday 29th April 2020.

CABINET – 7TH MAY 2020

ITEM 5 QUESTIONS UNDER CABINET PROCEDURE 10.7

A. Councillor Draycott – Commercial Property Investment

“Revenue Budget 2020/21 – Commercial Property Investment and New Post

Would the Leader inform Cabinet of the progress on both these matters which were important factors in the Budget agreed by Councillors in February?

Also, does the review by MPs on councils using the public purse in this way change/affect this strategy?”

The Leader, or his nominee, will respond:

The Council is committed to becoming a more commercial and entrepreneurial organisation – and this is probably now even more important given the economic conditions facing us. This will be achieved through a variety of means but a key factor will be the Strategic Director of Commercial Development role. The new postholder will provide leadership, commercial acumen and experience to the Council. The post has been appointed to and Justin Henry will be joining the Council on June 29th.

Whilst the economic context has changed there will remain opportunities for commercial investment, and we need to be able to respond these effectively. Furthermore, the role will be essential in supporting the Councils efforts on economic, community and organisational recovery. A specific focus on our assets and buildings will be an early priority.

The review by MPs will be interesting and its outcomes will be factored into our strategic approach to commercial investments.

B. Councillor Draycott – Business Rates Relief Educational Establishments

“Business Rates Relief (BRR)

Would the Leader inform Cabinet of the total value of mandatory charitable relief awarded in both 2018/19 and 2019/20 to educational establishments in the Borough and confirm that by far the biggest beneficiary under the current rules is the University, and that other educational establishments receive a significant amount of the rest?

Is the Leader aware that included in the Government’s budget in March this year is a review of BRR signalling that the loophole where certain educational businesses are able to claim to be charities and receive BRR of 80% is no longer acceptable? BRR will cease in Scotland in September 2020 and other parts of the UK and Councils are debating this now.”

The Leader, or his nominee, will respond:

The total value of Charitable relief awarded amounted to £7.9m for 2019/20 (£7.5m in 2018/19).

The University is the largest single recipient of such relief which amounted to around £3.4m across the various University premises in 2019/20.

We understood from the budget that the government is to publish the terms of reference for a fundamental review of business rates to report in the autumn. We will await the outcome of this review with interest.

It is worth noting that under the current business rate retention rules it is unlikely that the Council could expect to see much benefit from a change in legislation that would require educational establishments to pay increased business rates. This is as additional sums collected would be likely offset by an increase in the share of total collections that the Council would be required to remit to the Government.