

To: Estates Sub Group

From: Josie Gowler, Chief Finance Officer

Date: 11 May 2016

The Lakes Vehicle Workshop – Proposal to Opt to Tax

1.0 Purpose

- 1.1 To seek approval to exercise an option to tax on the vehicle workshop at The Lakes, St Ives.

2.0 Background

- 2.1 Cambridgeshire Constabulary requires a modern central workshop for its vehicle fleet.
- 2.2 The Cambridgeshire Police and Crime Commissioner's Business Coordination Board (BCB) at their meeting on the 27th August 2015 discussed the proposal and agreed to the funding of the project. The site comprises approximately 0.34ha (0.847acres) and had a purchase price of £296,450 plus VAT, payable upon completion of the land purchase, which took place on 15th April 2016. The total value of the contract is £1.3m plus VAT.

3.0 Proposal

- 3.1 The decision to opt to tax the workshop is proposed. This will enable the reclaiming of the VAT on the purchase price.
- 3.2 Should the site be rented or sold to another party within the 20 years duration of the option then VAT would need to be charged to that party. Due to the nature of the site it is considered to be highly unlikely that this would impact on the attractiveness of the site.

4 Recommendation

- 4.1 It is recommended that the Office of the Police and Crime Commissioner exercises an option to tax the vehicle workshop at The Lakes, St Ives.

Bibliography

Contact Officer	Josie Gowler, Chief Finance Officer and Deputy Chief Executive, Police and Crime Commissioner
Background Papers	'Vehicle Workshop' – paper as presented to Business Coordination Board, Agenda Item 10.0, 27 th August 2015 http://www.cambridgeshire-pcc.gov.uk/work/BCB