



Officer Delegated Decision

Published on 15 September 2023

Decision: Partial Exemption and Option to Tax

Decision taker: Assistant Director Finance & S151 Officer (following consultation with the Monitoring Officer)

Decision Date: 14 September 2023

Source of Delegation: Officer scheme of delegation

Is decision subject to Call-in? No

Deadline for Call-in: N/A

Is decision Exempt? No

Is decision urgent? No

Summary

To consider opting to tax properties following a review and advice from the council's VAT consultants

Decision

Resolved

- (1) That a policy of opting to tax council owned properties where VAT reclaimed on spend on these properties would otherwise contribute to the council's partial exemption calculation be adopted.

Reasons for Decision

it is recommended that the council opts to tax as many properties as it can to mitigate the risk to partial exemption. In the future, putting in place an "option to tax" should be the standard approach adopted by the Council unless there is a clear reason not to.

Alternative Options Considered

Option 1: Don't opt to tax – rejected due to risk of breaching 5% de minimis and repaying HMRC reclaimed VAT approx. £300k+

Option 2: Take responsibility for utilities and insurance – rejected due to financial constraints.

Conflicts of Interest Declared and Dispensations Granted by Head of Paid Service

None

Attachments

Report and appendices to Assistant Director to Finance and Section 151 Officer

Yvonne Rees
Chief Executive