

# Cherwell District Council - Asset risk profile for the Council's VAT Partial Exemption Calculation

The below tables give an overview of the VAT risk level associated with CDC owned or operated assets. Any capital projects intended to be undertaken on these assets will need to undergo a VAT review if they fall into the High or Medium risk category. If in doubt, consult with your Finance Business Partner.

Note : The option to tax mitigates the risk on the councils VAT position. This is because if land or property is opted to tax, any income that we generate from 3rd party use of the land/property is (or should be) charged at the standard rate of VAT. Residential property cannot be opted to tax and therefore the risks cannot be mitigated.

**\*If a property is not listed below, the assumption must be made that the asset is in the high risk category and so VAT advice must be sought before proceeding \***

High Risk					
Asset Name	Option to Tax?		Income Type	Reason	Comments
North Oxfordshire Academy (NOA)	None		Long series of lets	Generates exempt income	
Stratfield Brake	None		Long series of lets	Generates exempt income	
Drayton Pavilion (NOA)	None		Long series of lets	Generates exempt income	
Town Centre House	None		Rental Income	Generates exempt income	
<b>Affordable Housing (All)</b>	Not available		Rental Income	Generates exempt income	
<b>Shared Ownership Housing (All)</b>	Not available		Rental Income	Generates exempt income	
Banbury Health Centre	None		Commercial Rental Income	Generates exempt income	
The Hill Community Centre	Planned but not yet active		Rental Income	Generates exempt income	
Kingsmere Community Centre	Planned but not yet active		Rental Income	Generates exempt income	
Sunshine Community Centre	Planned but not yet active		Rental Income	Generates exempt income	
Chasewell Grange Community Association	Planned but not yet active		Rental Income	Generates exempt income	
Banbury Young Homeless Persons Centre	Planned but not yet active		Rental Income	Generates exempt income	
Langford Village Community Centre	Planned but not yet active		Rental Income	Generates exempt income	
West Bicester Community Centre	Planned but not yet active		Rental Income	Generates exempt income	
Hanwell Fields Community Centre	Planned but not yet active		Rental Income	Generates exempt income	
Southwold Community Centre	Planned but not yet active		Rental Income	Generates exempt income	
Grimsbury Community Centre	Planned but not yet active		Rental Income	Generates exempt income	
Hardwick Community Centre	Planned but not yet active		Rental Income	Generates exempt income	
Ruscote Arcade Community Centre	Planned but not yet active		Rental Income	Generates exempt income	
Bicester East Community Centre	Planned but not yet active		Rental Income	Generates exempt income	

Medium Risk					
Asset Name	Option to Tax?		Income Type	Reason for Caution	Comments
Whitelands Farm Sports Ground	No				
Kidlington & Gosford Sports Centre	No				
New Spiceball Sports Centre, Banbury	No				
Bicester & Ploughley Sports Centre	No				
Woodgreen Leisure Centre, Banbury	No				
			Benchmarking income	Income could become exempt if nature of the agreement and charges change	Analysis has been undertaken in 21/22, including a review of leases and management agreements for Parkwood Leisures operating of these Sports Centres. Due to outsourcing arrangements and the existence of peppercorn leases, it was determined by our professional advisers that there were no adverse VAT implications. However if there are proposed changes to the management agreement, this could affect VAT liability.

Low Risk					
Asset Name	Option to Tax?	Effective date	Income Type	Reason	Comments
Castle Quay Shopping Centre	Yes	05 March 1993	Commercial Rental Income	Standard rated income	
Unit 18/19 Overthorpe Road Industrial estate	Yes	05 February 1998	Commercial Rental Income	Standard rated income	
Unit 7 Overthorpe Road Industrial Est Banbury	Yes	05 May 1998	Commercial Rental Income	Standard rated income	
Industrial Units 1 - 7 Thorpe Way Banbury	Yes	03 June 1998	Commercial Rental Income	Standard rated income	
Industrial Units 17 - 24 Thorpe Place Banbury	Yes	03 June 1998	Commercial Rental Income	Standard rated income	
Shops at Sunderland Drive Bicester	Yes	03 June 1998	Commercial Rental Income	Standard rated income	
Shop at 108 Bretch Hill Banbury	Yes	03 June 1998	Commercial Rental Income	Standard rated income	
Banbury Town Hall	Yes	03 June 1998	Commercial Rental Income	Standard rated income	
Tooley's Boat Yard / Banbury Museum site	Yes	29 February 2000	Commercial Rental Income	Standard rated income	
Shops 1a 1,2-5 & 5a Bradley Arcade Bretch Hill Banbury	Yes	10 April 2001	Commercial Rental Income	Standard rated income	
Bradley Arcade Community Centre 186 Edmunds Way Banbury (The Sunshine Centre)	Yes	10 April 2001	Commercial Rental Income	Standard rated income	
Bicester Town Centre Redevelopment (inc Pioneer Sq)	Yes	24 July 2013	Commercial Rental Income	Standard rated income	
Antelope Garage Swan Close banbury	Yes	06 August 2018	Commercial Rental Income	Standard rated income	
Bodicote House	Yes	17 November 2005	Commercial Rental Income	Standard rated income	
NW Bicester ECO Business Centre	Yes	19 November 2018	Commercial Rental Income	Standard rated income	
Tramway Industrial Estate	Yes	14 January 2018	Commercial Rental Income	Standard rated income	

For further information about VAT please contact your Finance Business Partner. The council has access to expert advisers PSTAX - they operate a responsive VAT helpline that can assist with queries relating to partial exemption and the implications of capital projects.