Dear Sir/Madam

Your request for information has now been considered and the information requested is provided below.

Request/Response:

LGC is conducting some research into the growing trend for local authorities to invest in property on a commercial basis. Recent reports on this issue have focused on the potential risks to council finances; the intention of LGC’s research is for the results to form the basis for a balanced discussion of the risks and opportunities and how councils are managing those.

In light of that, could you tell me:

1. What is the value of property owned by the council that generates an income (excluding council housing)?

   Answer: Capital value is £9,825,695 (based on Asset valuations for 1st April 2014, 1st April 2015 & 1st April 2016).

   Assumptions: “value” means “capital value”.
   “income” means “rental income”.
   Ground leases, substation leases, academy playing field leases all producing nominal rental have been excluded.
   Minor licences of space within corporate offices.

2. How much in monetary value, if any, of this portfolio relates to residential property?

   Answer: Approximately 40% of the floor area of one of the assets is used for residential use. Total value of that asset is £475,000.

3. What is the value of this portfolio has been purchased since 2010 specifically to generate an income?

   Answer: None

4. What is the estimated return on investment from the portfolio over the next five years? Eg. % rental yield

   Answer: Assuming that this query relates to Q3 – Not Applicable.
5. Please provide the type and value of:
   
a) The largest property:
   
   Answer: Assuming “largest” relates to floor area – Business Park, £4,295,000
   
b) The smallest property.
   
   Answer: Assuming “smallest” relates to floor area – retail (ex-public toilets), £65,000
   
6. What is the value, if any, of property owned outside the local authority area?
   
   Answer: None owed.

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You can also complain to the Information Commissioner at:

The Information Commissioner's Office
Wycliffe House, Water lane
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Yours faithfully

FOI Administrator
Corporate Support Team, Rutland County Council