

Question from Councillor Martin:-

What is the Leader's reaction to the figure of £400,000 per annum that it is costing to service the City Council debt for RAMM?

Reply from the Leader of the Council:-

Based upon the latest cost estimates for completion of the RAMM project the overall amount that will have to be funded by ECC will be in the region of £10 million. This will have to be funded by the use of prudential borrowing over a 25 year period as was originally intended by the previous Labour administration when they embarked on this ambitious project. The revenue cost will therefore be £400,000 per annum for the next 25 years to reflect repayment of the borrowing plus interest. The current interest rates in respect of borrowing are about 0.5% so the interest element of the borrowing is £50,000 per annum. These extra revenue costs have been reflected within the Council's medium term financial plan.

Supplementary question from Councillor Martin:-

Has the Leader seen the projected budget for the first year of the re-opened RAMM?

Reply from the Leader of the Council:-

A detailed operating budget for the RAMM is not yet available. This will be established when we know with some real certainty when the project will be complete