

Councillor Saghir Alam – Cabinet Member for Corporate Services, Community Safety and Finance

Riverside House
Main Street
Rotherham
S60 1AE

E-mail: cllsaghir.alam@rotherham.gov.uk

Email the Council for free @ your local library!

Ref	Direct Line:	Please Ask For
SA/LH	01709 255959	Cllr Saghir Alam

19th March 2024

Cllr Greg Reynolds
Elected Member

Via email: greg.reynolds@rotherham.gov.uk

Dear Cllr Reynolds

Supplementary question at Council – 28th February 2024

At the Council meeting on 28th February, I responded to your question in relation to whether the Council subsidises Magna and you subsequently asked for my response to be provided in writing along with information in relation to what the agreement is, hence this written response.

I can confirm that the Council does not subsidise Magna. In relation to the loan repayments, there was a gap of around 4 years when no repayments were made due to financial difficulties being experienced by Magna. In April 2022 Magna recommenced making payments and in December 2022 they increased the amount of monthly repayment.

The two loans are chargeable at a commercial interest rate of base rate + 2% and this is the rate that has been charged to them. One of the loans is fully secured on an asset of equal value. All of the accumulated interest over those 4 years has been repaid and the regular monthly payments to the Council now cover both principal and interest.

I trust this provides the information that you requested.

Yours sincerely



Cllr Saghir Alam OBE
Boston Castle Ward
Cabinet Member for Corporate Services, Community Safety and Finance