

Summary Sheet

Name of Committee and Date of Committee Meeting

Cabinet and Commissioners' Decision Making Meeting – 12 March 2018

Report Title

New Applications for Business Rates Discretionary Rate Relief

Is this a Key Decision and has it been included on the Forward Plan?

No

Strategic Director Approving Submission of the Report

Judith Badger, Strategic Director of Finance and Customer Services

Report Author(s)

Diane Woolley – Team Leader, Local Taxation
01709 255152 or diane.woolley@rotherham.gov.uk

Ward(s) Affected

All

Summary

To consider 4 applications for the award of a discretionary business rate relief for the organisations listed in Section 2. This is in accordance with the Council's Discretionary Business Rates Relief Policy (approved 12th December 2016).

Recommendations

That 20% discretionary top up rate relief is awarded to the organisations listed in Section 2 of this report.

List of Appendices Included

None

Background Papers

Discretionary Rate Relief Policy - Approved 12th December 2016

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

No

New Application for Discretionary Rate Relief

1. Recommendation

1.1 That 20% discretionary top up rate relief is awarded to the organisations listed in Section 2 of this report.

2. Background

2.1 Section 47 of the Local Government Finance Act (LGFA) 1988 conveys power on local authorities to allow discretionary relief that would be additional to the mandatory relief. This is given when the property is used wholly or mainly for charitable purposes by a charity or other non-profit body whose main objects are charitable or benevolent, or concerned with education, social welfare, science, literature or the arts.

2.2 The Council can grant discretionary rate relief to:-

- Registered Charitable Organisations, including Community Amateur Sports Clubs. The relief granted is up to 20% of the rate liability as these organisations are eligible for 80% mandatory rate relief.
- Other organisations or institutions that are not established or conducted for profit and whose aims are charitable or otherwise, philanthropic, religious, concerned with education, social welfare, science, literature or fine arts. Relief can be granted up to 100% of the business rates liability.
- Properties occupied by not for profit sports or social clubs, societies or other organisations for the purposes of recreation. Relief can be granted up to 100% of the business rates liability.
- Rate relief to ratepayers – Section 47 of the LGFA 1988 was amended by Section 69 of the Localism Act 2011. This amendment gives the Council the discretion to grant relief to any other body, organisation or ratepayer, having due regard to its Council Tax payers.

2.2.1 The Council has operated a system of awarding relief through the application of a policy that was approved by the former Cabinet on 24th April 2013 which has more recently been revised and subsequently approved by Cabinet on 12 December 2016.

2.2.2 The funding for Discretionary Rate Relief was, until the introduction of the Government's Business Rates Retention Scheme (April 2014), shared with Central Government through the National Non-Domestic Rate Pool. Local authorities were reimbursed with 25% of the cost of discretionary rate relief granted to charities and Community Amateur sports Clubs, and 75% of the cost of relief granted to other bodies. Now, with the localisation of business rates, Central Government and Councils share every £1 of rates due on a 50/50 basis as follows:

Central Government	50%
South Yorkshire Fire and Rescue Authority	1%
Rotherham MBC	49%

**2.3 Application 1:
27th Rotherham Woodsetts Scout Group
Gildingwells Road, Woodsetts, Worksop S81 8QE**

2.3.1 27th Rotherham Woodsetts Scout Group works with young people to develop good citizenship by training them in observation, obedience and self-reliance.

Emphasis is given to teaching around services useful to the public and skills useful to themselves as well as promoting their physical, spiritual and mental development.

2.3.2 The application for the award of discretionary rate relief does meet the Council's qualifying criteria as set out in its Policy. The organisation actively encourages membership for all young people within the community. They are able to cater for children with disabilities. The organisation relies heavily upon unpaid volunteers

2.3.3 27th Rotherham Woodsetts Scout Group is a registered charity benefiting from 80% mandatory relief and is applying for 20% discretionary top up relief with regard to their 2017/18 and 2018/19 rates liability. The financial implication of awarding the rate relief is set out in section 7 of this report.

**2.4 Application 2:
Catcliffe Memorial Hall
Old School Lane, Catcliffe, Rotherham S60 5SP**

2.4.1 Catcliffe Memorial Hall provides affordable meeting facilities to the community. It is hired out for social events, classes and activities.

The organisation previously benefited from 20% discretionary top up relief and are now reapplying following a period of closure for general refurbishment.

2.4.2 The application for the award of discretionary rate relief does meet the Council's qualifying criteria as set out in its Policy. The facilities are available to all sections of the community. The social events and classes held encourage and support community cohesion.

2.4.3 Catcliffe Memorial Hall is a registered charity benefiting from 80% mandatory relief and is applying for 20% discretionary top up relief with regard to their 2017/18 and 2018/19 rates liability. The financial implication of awarding the rate relief is set out in section 7 of this report.

**2.5 Application 3:
Swinton Recreation Ground
Adjacent to Park View Social Club, Park Road, Swinton, Mexborough
S64 8JH**

2.5.1 Swinton Recreation Ground promotes and supports sporting activity within the Swinton area with a particular emphasis on football.

The trustees have recently taken over the facility from Rotherham MBC and hope to be able to regenerate a second football pitch on the site.

They work with a local gym that uses the facility for a rehabilitation program for former cancer patients.

The ground has also been used to provide subsidised holiday clubs.

2.5.2 The application for the award of discretionary rate relief does meet the Council's qualifying criteria as set out in its Policy. The facilities are available to all sections of the community. The facilities encourage sporting fitness and general wellbeing and promote community spirit.

2.5.3 Swinton Recreation Ground is a registered charity benefiting from 80% mandatory relief and is applying for 20% discretionary top up relief with regard to their 2017/18 and 2018/19 rates liability. The financial implication of awarding the rate relief is set out in section 7 of this report.

**2.6 Application 4:
Sheffield Royal Society for the Blind
8 Ship Hill Rotherham S60 2HG**

2.6.1 Sheffield Royal Society for the Blind supports people with a sensory impairment.

Rotherham Sight and Sound is a division of the above organisation and is using the above premises to sell specialist equipment which will aid those with a sensory impairment.

The premises are also being used for social and activity groups and to provide technology training.

Rotherham Sight and Sight is being fully funded by Rotherham MBC.

2.6.2 The application for the award of discretionary rate relief does meet the Council's qualifying criteria as set out in its Policy. The facilities are available to all sections of the community suffering from sensory impairment. The social events and classes held encourage and support community cohesion. The organisation supports and encourages clients to retrain for, or regain, employment

2.6.3 Sheffield Royal Society for the Blind, of which Rotherham Sight and Sound is a division, is a registered charity benefiting from 80% mandatory relief and is applying for 20% discretionary top up relief with regard to their 2017/18 and 2018/19 rates liability. The financial implication of awarding the rate relief is set out in section 7 of this report.

3. Key Issues

- 3.1 To consider the applications requesting the award of discretionary rate relief to the organisations listed in Section 2.

4. Options considered and recommended proposal

- 4.1 Given the discretionary nature of the relief requested, the Council has the discretion to either award or not award a discretionary rate relief.
- 4.2 In helping Members make such a decision, the Council has put in place a specific Policy framework to consider individual applications. In accordance with that Policy, applications (including supporting documentation) for relief have been considered in line with the qualifying criteria and other considerations set out in that Policy.
- 4.3 In line with the Council's Business Rates Discretionary Relief Policy, having regard to the financial cost of the proposed relief, the charitable use of the premises and the contribution that these businesses make to the local community, the proposed awards of relief are considered to be appropriate. It is therefore recommended that an award of 20% discretionary top up rate relief is awarded to the 4 organisations listed in Section 2.

5. Consultation

- 5.1 The recommendations in the report are based on the application of an existing policy. There has been no specific consultation carried out in relation to any individual organisations referred to within this report.

6. Timetable and Accountability for Implementing this Decision

- 6.1 The applicants will be advised by letter on the outcome of their application for relief within 10 working days of the Cabinet decision.

7. Financial and Procurement Implications

- 7.1 The applicants have provided financial information in support of the applications for discretionary rate relief which have been assessed by the Council's Finance department. Financial support in the form of discretionary rate relief is considered appropriate if the organisations are to expand and develop their activities.
- 7.2 The total potential cost of granting the relief for the financial years 2017/18 and 2018/19 is set out below in paragraph 7.3 alongside the specific cost to the Council.

7.3	Year	Total Amount of Relief	Cost to RMBC
27 th Rotherham Woodsetts Scout Group			
	17/18	£114.96	£56.33
	18/19	£118.32	£57.98
Catcliffe Memorial Hall			
	17/18	£745.14	£365.12
	18/19	£838.10	£410.67
Swinton Recreation Ground			
	17/18	£220.42	£108.01
	18/19	£335.24	£164.26
Sheffield Royal Society for the Blind			
	17/18	£1,224.17	£599.84
	18/19	£1,676.20	£821.34

Figures for the financial year 2018/19 are based on provisional multipliers.

8. Legal Implications

8.1 The statutory framework for discretionary rate relief is set out in the body of the report.

9. Human Resources Implications

9.1 No direct implications from this report

10. Implications for Children and Young People and Vulnerable Adults

10.1 No direct implications from this report

11. Equalities and Human Rights Implications

11.1 No direct implications from this report

12. Implications for Partners and Other Directorates

12.1 No direct implications from this report

13. Risks and Mitigation

- 13.1 The Government has issued guidance notes to advise Authorities what criteria should be used in considering applications for Discretionary Rate Relief. Authorities have been strongly advised to treat each individual case on its own merits and to not adopt a policy or rule which allows them to not consider each case without proper consideration. In cognisance of these guidance notes, the Council has formally adopted a Policy framework for considering individual discretionary business rates relief applications with the decision to award reserved for Cabinet.

14. Accountable Officer(s)

Approvals Obtained from:-

Graham Saxton, Assistant Director, Finance and Customer Services.

Dermot Pearson, Assistant Director, Legal Services

Head of Procurement - Not Applicable

Diane Woolley, Team Leader, Local Taxation

Rachel Humphries, Operational Manager, Local Taxation

Anne Ellis, Finance Manager, Finance and Customer Services

This report is published on the Council's website or can be found at:-

<http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories=>