

Summary Sheet

Name of Committee and Date of Committee Meeting

Cabinet and Commissioners' Decision Making Meeting – 21 May 2018

Report Title

New Applications for Business Rates Discretionary 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)

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Ward(s) Affected

All

Summary

To consider the applications for the award of a business rate discretionary 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

1. That discretionary relief be refused for Dinnington School of Swimming and Fitness CIC, Unit 6 Brooklands Park, Brooklands Way, Dinnington, Sheffield, S25 2JZ.
2. That 20% discretionary top up relief for the period 1st April 2017 to 31st March 2019 be awarded to Rotherham & District Citizens Advice Bureau, 5 Eastwood Lane, Rotherham S65 1EQ.

List of Appendices Included

Appendix 1 Application for Business Rates Discretionary Relief – Dinnington School of Swimming and Fitness CIC (Exempt)

Background Papers

Discretionary Rate Relief Policy (approved on 12 December 2016)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

Appendix 1 – Application for Business Rates Discretionary Relief - Dinnington School of Swimming and Fitness CIC, is exempt from the press and public under paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested, for this report addendum as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information))

New Application for Discretionary Rate Relief

1. Recommendation

- 1.1 That discretionary relief be refused for Dinnington School of Swimming and Fitness CIC, Unit 6 Brooklands Park, Brooklands Way, Dinnington, Sheffield, S25 2JZ.
- 1.2 That 20% discretionary top up relief for the period 1st April 2017 to 31st March 2019 be awarded to Rotherham & District Citizens Advice Bureau, 5 Eastwood Lane, Rotherham S65 1EQ.

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 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:
Dinnington School of Swimming and Fitness CIC
Unit 6 Brooklands Park, Brooklands Way, Dinnington, Sheffield
S25 2JZ**

2.3.1 Information relating to this application is exempt from the press and public under paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972.

**2.4 Application 2:
Rotherham & District Citizens Advice Bureau
5 Eastwood Lane, Rotherham S65 1EQ**

2.4.1 Rotherham & District Citizen's Advice Bureau provides an advice and information service to the citizens of Rotherham.

The property for which the application is being made is used for the storage of records which are used in conjunction with the advice facility which operates from the RAIN Building.

The storage of records in the property is considered essential to the provision of advice and information which is available to all sections of the community. The provision of advice and information by Rotherham & District Citizens Advice Bureau also indirectly relieves the authority of the need to supply these services.

2.4.2 The organisation already benefits from several grants, including one from RMBC, and this modest additional assistance to support the provision of an essential storage facility is considered to be in line with the criteria within the Council's policy.

2.4.3 Rotherham & District Citizen's Advice Bureau 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 relief is set out in section 7 of this report.

3. Key Issues

3.1 To consider the applications requesting the award of discretionary 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 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, it is recommended that an award for discretionary relief be refused for Dinnington School of Swimming and Fitness CIC and granted to Rotherham and District Citizens Advice Bureau.

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 of 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 their applications for discretionary relief which have been assessed by the Council's Finance department.

Financial support in the form of discretionary relief is not considered appropriate in respect of Dinnington School of Swimming and Fitness CIC.

Financial support in the form of discretionary relief is considered appropriate in respect of Rotherham and District Citizens Advice Bureau.

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
	Dinnington School of Swimming & Fitness CIC		
	17/18	£16,892.50	£8,277.33
	18/19	£17,400.00	£8,526.00
	Rotherham & District Citizens Advice Bureau		
	17/18	£387.99	£190.12
	18/19	£399.33	£195.67

8. Legal Implications

- 8.1 The statutory framework for discretionary 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)

Graham Saxton, Assistant Director – Financial Services

Approvals obtained on behalf:-

	Named Officer	Date
Strategic Director of Finance & Customer Services	Judith Badger	24.04.2018
Assistant Director of Legal Services	Dermot Pearson	24.04.2018
Head of Procurement (if appropriate)	N/A	N/A
Head of Human Resources (if appropriate)	N/A	N/A

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