

Committee Name and Date of Committee Meeting

Cabinet – 15 February 2021

Report Title

Business Rates Discretionary Relief Renewals in 2021/22

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

Yes

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

Borough-Wide

Report Summary

To consider the renewal applications for the awards of Discretionary Business Rate Relief for the organisations and premises listed in Appendix 2 of this report. This is in accordance with the Council's Discretionary Business Rates Relief Policy (approved by Cabinet on 12th December 2016).

Recommendations

1. That Cabinet approve the applications for Discretionary Business Rate Relief for the organisations listed in Appendix 2 of this report and in accordance with the details set out in Section 6 to this report, for the 2021/22 financial year.

List of Appendices Included

Appendix 1 - Initial Equality Screening Document

Appendix 2 - Business Rates Discretionary Relief Renewals in 2021/22

Background Papers

Discretionary Rate Relief Policy – Approved by Cabinet on 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

Business Rates Discretionary Relief Renewals in 2021/22

1. Background

1.1 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.

1.2 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 as 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.

1.3 The Council has operated a system of awarding relief through the application of a policy that was approved by Cabinet on 12th December 2016.

1.4 Central Government and councils share every £1 of rates due as follows:

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

2. Key Issues

2.1 The organisations in Rotherham that are currently awarded Discretionary Rate Relief and which have reapplied for relief for the 2021/22 financial year are shown in Appendix 2. The estimated financial implications of awarding relief based on the provisional business rates multipliers for 2021/22, announced by the Government, are set out in Section 6 and Appendix 1 of this report.

3. Options considered and recommended proposal

- 3.1 Given that the nature of the relief requested is discretionary, the Council can determine either to award or not to award relief.
- 3.2 In helping Members make such a decision, the Council has put in place a specific Policy framework to consider individual applications against. 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.
- 3.3 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 makes to the local community, it is recommended that an award for discretionary relief be granted for the premises as listed in Appendix 2.

4. Consultation on proposal

- 4.1 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 the individual organisation referred to within this report.

5. Timetable and Accountability for Implementing this Decision

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

6. Financial and Procurement Advice and Implications

- 6.1 Applicants have completed a full application for the proposed reliefs and those applications have been reviewed by Technical Officers within Revenues and Benefits to ensure compliance with the Councils discretionary scheme criteria.
- 6.2 The total cost of granting the relief for the financial year 2021/22 is set out below in paragraph 6.3 alongside the specific cost to the Council. These figures are based on the provisional business rates multipliers for 2021/22 as announced by the Government. The Government has not yet announced whether or not businesses will be granted further Covid related business rates relief in 2021/22. The Government Covid related reliefs that were granted in 2020/21 included support to some of these organisations and therefore if that relief was repeated in 2021/22 the total cost of the Council's discretionary scheme relief will be lower than these figures. The full impact of the award of relief has been taken into account within the budgeted amount of business rates income for 2021/22.

6.3	Year 2021/2022	Total Amount of Relief £779,420.91	Cost to RMBC £381,916.25
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- 6.4 There are no direct procurement implications associated with the recommendations detailed in this report.

7. Legal Advice and Implications

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

8. Human Resources Advice and Implications

8.1 No direct implications from this report.

9. Implications for Children and Young People and Vulnerable Adults

9.1 No direct implications from this report.

10. Equalities and Human Rights Advice and Implications

10.1 No direct implications from this report.

11. Implications for Partners

11.1 No direct implications from this report.

12. Risks and Mitigation

12.1 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.

13. Accountable Officer(s)

Graham Saxton, Assistant Director, Financial Services

Approvals obtained on behalf of:-

	Named Officer	Date
Chief Executive	Sharon Kemp	01/02/21
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	26/01/21
Assistant Director of Legal Services (Monitoring Officer)	Bal Nahal	26/01/21

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