

Committee Name and Date of Committee Meeting

Cabinet – 19 July 2021

Report Title

New Applications for Business Rates Discretionary Relief for Food Aware CIC and Kiveton Park and Wales Community Development Trust

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

No, but it has been included on the Forward Plan

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 255158 or diane.woolley@rotherham.gov.uk

Ward(s) Affected

Borough-Wide

Report Summary

To consider the applications for the award of Discretionary Business Rate Relief for Food Aware CIC and Kiveton Park and Wales Community Development Trust. 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 Food Aware CIC and Kiveton Park and Wales Community Development Trust in accordance with the details set out in Section 6 to this report for the 2020/21 and 2021/22 financial years.

List of Appendices Included

Appendix 1 Initial Equality Screening Document
Appendix 2 Carbon Impact Assessment

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

New Applications for Business Rates Relief for Food Aware CIC and Kiveton Park and Wales Community Development Trust

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.

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

1.2.2 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%

1.3 **Application 1 : Food Aware CIC, Pearl Enterprise Park, Sandbeck Way, Hellaby, Rotherham, S66 8QL**

1.3.1 Food Aware CIC is a not for profit social enterprise which redistributes surplus/donated food and other items e.g. cleaning materials, clothes, toys, and furniture to local community groups across South Yorkshire but predominantly supporting the Rotherham and Doncaster areas.

1.3.2 The organisation liaises with commercial outlets to receive surplus food and supplies which can then be distributed via approved community partner organisations.

- 1.3.3 Service users include more than seventy community organisations such as Lifeskills Rotherham and Thurcroft Community Group who work to support deprived communities in the borough.
- 1.3.4 During the Covid 19 pandemic the organisation estimates it has seen operations at the Hellaby site increase 1000%.
- 1.3.5 The property at Hellaby is used to arrange delivery and appropriate storage of bulk pallets of surplus and donated food and supplies which are sorted by volunteers ready for distribution across local communities.
- 1.3.6 The application meets the Council's qualifying criteria as set out in its policy.
- 1.3.7 The services provided are open to all not for profit community groups which are run by volunteers with vital support being delivered to the residents of Rotherham.
- 1.3.8 The organisation is applying for discretionary relief with regards to their 2020/21 and 2021/22 rates liability. The financial implication of awarding the relief is set out in Section 6 of this report.
- 1.4 **Application 2: Kiveton Park and Wales Community Development Trust, Old Colliery Offices, Colliery Road, Wales, Sheffield, S26 6LR**
- 1.4.1 Kiveton Park and Wales Community Development Trust is a registered charity which aims to improve the lives of the local community in terms of health, education, employment and environment.
- 1.4.2 The charity offers a food bank, sports facility and a community hub.
- 1.4.3 The food bank facility is for the benefit of the ward of Wales and surrounding areas with referrals coming from RMBC, the Police and Citizens Advice.
- 1.4.4 The sports facility and community hub are open to all with no qualifying criteria.
- 1.4.5 The premises are used to provide a food storage facility, classes, group meetings and administration for projects.
- 1.4.6 The application meets the Council's qualifying criteria as set out in its policy.
- 1.4.7 The organisation actively encourages membership from the elderly, from mental health groups and from those clients facing financial hardship.
- 1.4.8 The organisation is applying for discretionary relief with regards to their 2020/21 and 2021/22 rates liability with effect from 1 March 2021. The financial implication of awarding the relief is set out in Section 6 of this report.

2. Key Issues

- 2.1 To consider the applications for Food Aware CIC and Kiveton Park and Wales Community Development Trust requesting an award of discretionary rate relief.

3. Options considered and recommended proposal

- 3.1 Given the discretionary nature of the relief requested, the Council has the discretion to either award or not award discretionary relief.
- 3.2 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.
- 3.3 In line with the Council's Business Rates Discretionary Relief Policy, having regard to the financial cost of the proposed relief, the 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 granted to Food Aware CIC and Kiveton Park and Wales Community Development Trust.
- 3.4 The alternative option is to reject the applications. This option is not recommended as the applications meet the qualifying criteria as set out in the Policy.

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 any individual organisations 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 The applicants have completed a full application for the proposed relief to ensure compliance with the Councils discretionary scheme criteria.
- 6.2 The total cost of granting the relief for the financial years 2020/21 and 2021/22 is set out below in paragraph 6.3 alongside the specific cost to the Council.

6.3	Year	Total Amount of Relief	Cost to RMBC
	Food Aware		
	2020/2021	£4,234.25	£2,074.78

2021/2022	£5,613.75	£2,750.74
-----------	-----------	-----------

Kiveton Park & Wales Community Development Trust

2020/2021	£12.35	£6.05
-----------	--------	-------

2021/2022	£145.41	£71.25
-----------	---------	--------

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 CO2 Emissions and Climate Change

11.1 It is anticipated that an award of relief will not change the organisation's current operational activities and therefore will not impact CO2 emissions.

12. Implications for Partners

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 Officers

Graham Saxton, Assistant Director, Financial Services

Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	Sharon Kemp	01/07/21
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	23/06/21
Head of Legal Services (Monitoring Officer)	Bal Nahal	28/06/21

Report Author: Diane Woolley – Team Leader, Local Taxation
01709 255158 or diane.woolley@rotherham.gov.uk
This report is published on the Council's [website](#).