

Committee Name and Date of Committee Meeting

Cabinet – 09 February 2026

Report Title

Business Rates Discretionary Relief Renewals in 2026/27

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

Yes

Executive Director Approving Submission of the Report

Judith Badger, Executive Director of Corporate 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 1 of this report. This is in accordance with the Council's Discretionary Business Rates Relief Policy (approved by Officer Delegated Decision on 01/07/2025).

Recommendations

That Cabinet approve the applications for Discretionary Business Rate Relief for the organisations listed in Appendix 1 of this report and in accordance with the details set out in Section 6 to this report, for the 2026/27 financial year.

List of Appendices Included

- Appendix 1 Business Rates Discretionary Relief Renewals in 2026/27
- Appendix 2 Part A Initial Equality Screening Document
- Appendix 3 Part B Equality Analysis
- Appendix 4 Carbon Impact Assessment

Background Papers

Discretionary Rate Relief Policy - Approved by Officer Delegated Decision on 1 July 2025.

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 2026/27

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 any mandatory relief that may be applicable.
- 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 gives the Council the discretion to grant relief to any other body, organisation or ratepayer, providing there is a decision of the Council to award relief in those circumstances and it is in the interests of the Council Tax payers in its area.
- 1.2.1 The Council has operated a system of awarding relief through the application of a Policy that was approved by Officer Delegated Decision on 1 July 2025.
- 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%

2. Key Issues

- 2.1 The purpose of this report is to consider the applications from the organisations in Rotherham that are currently awarded Discretionary Rate Relief who have reapplied for relief for the 2026/27 financial year as shown in Appendix 1. The financial implications of awarding relief based on the business rates multipliers for 2026/27, announced by the Government, and on the 2026 Draft Rating List published by the Valuation Office Agency, are set out in Section 6 and Appendix 1 of this report.

3. Options considered and recommended proposal

- 3.1 Given the discretionary nature of the relief requested, the Council can determine either to award or not 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. 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 organisations make to the local community, it is recommended that an award for discretionary relief be granted for the applicants as listed in Appendix 1.
- 3.4 The alternative option is to decline to award relief. This has been rejected as a recommendation as the applications meet the Council's Policy.
- 3.5 Although the recommendation is to approve the award of Discretionary Business Rate Relief for the organisations listed in Appendix 1 any award must comply with the Subsidy Control Act 2022 before it is applied to the Business Rates Relief account. The Council will therefore undertake an assessment of each of the approved applications before 31st March 2026 to ensure that they meet the requirements of the Act.

4. Consultation on proposal

- 4.1 The recommendation in the report is based on the application of an existing Policy. There has been no specific consultation carried out in relation to any 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 The applicants have completed a full application for the proposed relief to ensure compliance with the Council's discretionary scheme criteria.
- 6.2 The estimated total cost of granting the relief for the financial year 2026/27 is set out below in paragraph 6.5 alongside the specific cost to the Council. The figures are based on the business rates multipliers for 2026/27 announced by the Government at the Autumn budget and on the 2026 Draft Rating List published by the Valuation Office Agency at the same time as the Autumn budget.

6.3 As the business rates multipliers are changing from 1 April 2026, assumptions have been made as to the appropriate multiplier to apply when calculating the level of relief and have taken no account of any transitional relief a ratepayer may be entitled to. The transitional relief scheme for 2026/27 has not yet been finalised and is awaiting Regulations being laid in Parliament. Should any ratepayer be entitled to transitional relief, the level of discretionary relief will be reduced to reflect the reduced level of business rates liability.

6.4 As indicated in paragraph 1.2.2, 49% of the cost of the relief is met by the Council with 50% falling on Central Government and 1% on the South Yorkshire Fire and Rescue Service.

6.5 Value of Proposed Business Rates Discretionary Relief Renewals

<u>Year</u>	<u>Total Amount of Relief</u>	<u>Cost to RMBC (49%)</u>
2026/27	£853,572.19	£418,250.37

6.6 There are no direct procurement implications arising from 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.

7.2 The recommendation is made in accordance with the Council's Business Rates Discretionary Relief Policy and with consideration to the criteria. A decision to refuse the applications when the criteria set out within the Policy has been met would leave the Council open to legal challenge.

8. Human Resources Advice and Implications

8.1 There are no direct human resources implications arising from this report.

9. Implications for Children and Young People and Vulnerable Adults

9.1 The organisations provide recreational activities and/or support services to children, young people and vulnerable adults throughout the borough which aim to make a difference to the lives of people within the local community.

10. Equalities and Human Rights Advice and Implications

10.1 The recommendation in the report is to grant discretionary relief which will positively impact the organisations ensuring continuity of service provision which helps tackle inequality. This recommendation is based on the Council's Discretionary Business Rates Relief Policy under which other businesses may make an application.

10.2 An Initial Equality Screening Document has been completed and attached as Appendix 2. A Part B Equality Analysis was completed on 21/05/2025 and is attached as Appendix 3.

11. Implications for CO2 Emissions and Climate Change

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

12. Implications for Partners

12.1. As stated in 1.2.2, 1% of the cost of any relief granted is met by the South Yorkshire Fire and Rescue Authority.

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

Rob Mahon, Service Director, Financial Services

Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	John Edwards	21/01/26
Executive Director of Corporate Services (S.151 Officer)	Judith Badger	20/01/26
Service Director of Legal Services (Monitoring Officer)	Phil Horsfield	19/01/26

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