

## Summary Sheet

### Name of Committee and Date of Committee Meeting

Cabinet – 19 November 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 made by the following companies for the award of a business rate discretionary relief in accordance with the Council's Discretionary Business Rates Relief Policy (approved 12<sup>th</sup> December 2016):

- Novacity Ltd
- Harthill with Woodall Community Association.

## Recommendations

1. That 100% discretionary relief be awarded to Novacity Ltd, Summit 1, Mangham Road, Greasbrough, Rotherham, S61 4RJ for the period 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019.
2. That 20% top up relief be awarded to Harthill with Woodall Community Association, Sports Centre, Woodall Lane, Harthill, Sheffield, S26 7YQ for the period 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019.

## List of Appendices Included

None

## Background Papers

Discretionary Rate Relief Policy - Approved on 12<sup>th</sup> 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 100% discretionary relief be awarded to Novacity Ltd, Summit 1, Mangham Road, Greasbrough, Rotherham, S61 4RJ for the period 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019.
- 1.2 That 20% top up relief be awarded to Harthill with Woodall Community Association, Sports Centre, Woodall Lane, Harthill, Sheffield, S26 7YQ for the period 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019.

### **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 Cabinet on 12<sup>th</sup> 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:

### **Novacity Ltd**

**Summit 1, Mangham Road, Greasbrough, Rotherham S61 4RJ**

2.3.1 Novacity Ltd is a company not established or conducted for profit. Any surplus or assets are used principally for the benefit of the community. The company aims and objectives are to increase the social, mental and physical well-being of young people by providing activities that promote healthy lifestyles, fitness and creativity and by providing a supportive and inspiring environment that raises aspiration through education, training, volunteer and work opportunities.

The organisation has a unique and purpose built performance centre which provides access to physical training and fitness classes including dance, parkour, cheerleading and martial arts.

In addition, the company has created an alternative education package and specialise in working with young people who struggle in mainstream school environments.

The building is open to many groups, including local YMCA groups for children aged 6 to 15 years, and the organisation aims to provide discount group bookings to young people that would normally find cost a barrier to access.

Volunteering opportunities, work experience placement and work based training are all on offer for young people. The organisation also operates a teacher training programme in dance, registered with the International Dance Teachers Association.

2.3.2 Novacity Ltd's application for the award of discretionary relief is considered to be in line with the Council's qualifying criteria as set out in its policy.

The organisation provides access to facilities open to all sections of the community and provides educational and social welfare services that complement work carried out in mainstream schools.

The organisation previously benefited from an award of 100% discretionary relief to 31<sup>st</sup> March 2018.

2.3.3 The organisation is applying for discretionary relief with regard to their 2018/19 rates liability. The financial implication of awarding the relief is set out in section 7 of this report.

**2.4 Application 2:  
Harthill with Woodall Community Association  
Sports Centre, Woodall Lane, Harthill, Sheffield, S26 7YQ**

2.4.1 Harthill with Woodall Community Association provides a sports and social facility both locally and to surrounding communities in the borough of Rotherham.

The organisation offers sports including 5-a-side football, netball, bowls, cricket and tennis and provides space for meetings and small community gatherings.

2.4.2 The application for the award of discretionary relief is in line with the Council's qualifying criteria as set out in its Policy. The organisation actively encourages participation in sport by all members of the community thereby promoting fitness and wellbeing. They rely heavily upon unpaid volunteers to keep down overheads.

2.4.3 Harthill with Woodall Community Association is applying for 20% discretionary top up relief with regard to their 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 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 granted to the 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 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.

7.2 The total potential cost of granting the relief for the financial year 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**

#### **Novacity Ltd**

2018/19	£17,400.00	£8,526.00
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#### **Harthill with Woodall Community Association**

2018/19	£532.44	£260.90
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## **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)

Judith Badger, Strategic Director of Finance and Customer Services

Approvals obtained on behalf:-

	<b>Named Officer</b>	<b>Date</b>
Strategic Director of Finance & Customer Services	Judith Badger	31.10.2018
Assistant Director of Legal Services	Dermot Pearson	01.11.2018
Head of Procurement (if appropriate)	N/A	
Head of Human Resources (if appropriate)	N/A	

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