

**Committee Name and Date of Committee Meeting**

Cabinet – 16 September 2019

**Report Title**

New Applications for Business Rates Discretionary Relief for Rotherham Rise and Sea Cadets Core

**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)**

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**Ward(s) Affected**

Borough-Wide

**Report Summary**

To consider the applications for the award of a business rate discretionary relief for the organisations listed in Section 1. This is in accordance with the Council's Discretionary Business Rates Relief Policy (approved by Cabinet on 12<sup>th</sup> December 2016).

**Recommendations**

1. That 20% top up discretionary relief be awarded to Rotherham Rise, for the period 15<sup>th</sup> January 2019 to 31<sup>st</sup> March 2020 and to the Sea Cadets Core, Falding Street, Rotherham, S61 1JB and Off Doncaster Road, Thrybergh, Rotherham S65 4JS for the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020

**List of Appendices Included**

Appendix 1 – Initial Equality Screening Document for Rotherham Rise  
Appendix 2 – Initial Equality Screening Document Sea Cadets Core

**Background Papers**

Discretionary Rate Relief Policy - Approved by Cabinet 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 Applications for Business Rates Discretionary Relief for Rotherham Rise and Sea Cadets Core**

### **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 objectives 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 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.

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 Rotherham Rise**

1.3.1 The organisation provides a range of support services for women and children who have been affected by violence and abuse.

The organisation has moved to a new address and having previously received an award of discretionary relief on their old premises, are requesting relief on the new premises.

The new facility will enable Rotherham Rise to continue its work to offer support services, activities and group work with the focus being on developing self-esteem and life skills.

- 1.3.2 Rotherham Rise'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.

Service users are representative of many disadvantaged groups including the homeless, those with a disability, single parents and those at risk from substance misuse.

The provision of educational support, welfare support and counselling complements and indirectly helps manage the Council's need to do so.

- 1.3.3 The organisation is applying for discretionary relief with regard to their 2018/19 and 2019/20 rates liability. The financial implication of awarding the relief is set out in section 6 of this report.

1.4 **Application 2**  
**Sea Cadets Core, Falding Street, Rotherham, S61 1JB and Off Doncaster Road, Thrybergh, Rotherham S65 4JS**

- 1.4.1 The organisation aims to offer a structured programme of training and activities, both on water and land, to develop skills in seamanship and other disciplines.

All young people, aged from 10 to 18 years are welcome to participate, and the organisation seeks to promote the development of young people in achieving their physical, intellectual and social potential via the provision of a wide range of educational and leisure time activities.

Involvement within the local community is supported and encouraged.

- 1.4.2 The Sea Cadets Core'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 makes a nominal charge to members and encourages all young people between the ages of 10 and 18 from all social groups to participate.

The group is run by adult volunteers and makes no payment to individuals.

- 1.4.3 The organisation is applying for discretionary relief with regard to their 2019/20 rates liability. 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 requesting the award of discretionary relief to the organisations listed in Section 1.

## 3. Options considered and recommended proposal

3.1 Given the discretionary nature of the relief requested, the Council has the option to either award or not award a 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 for relief (including supporting documentation) 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 make to the local community, it is recommended that an award for discretionary relief be granted to the organisations listed in Section 1.

## 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 applicant 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 provided financial information in support of their application.

6.2 The total cost of granting the relief for the financial years 2018/19 and 2019/20 is set out below in paragraph 6.3 alongside the specific cost to the Council.

6.3	<b>Year</b>	<b>Total Amount of Relief</b>	<b>Cost to RMBC</b>
	<b>Rotherham Rise</b>		
	2018/19	£648.65	£317.84
	2019/20	£3,518.47	£1,724.05
	<b>Sea Cadets Core</b>		
	2019/20	£939.96	£460.58

**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 Officers**

Graham Saxton, Assistant Director, Financial Services

Approvals obtained on behalf of Statutory Officers:-

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Sharon Kemp	23/08/19
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	14/08/19
Head of Legal Services (Monitoring Officer)	Bal Nahal	Click here to enter a date.

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