

**Committee Name and Date of Committee Meeting**

Cabinet – 23 December 2019

**Report Title**

New Application for Business Rates Discretionary Relief for The Drop-In Centre (Rawmarsh)

**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 application for the award of a business rate discretionary relief for The Drop-In Centre (Rawmarsh) . 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 is awarded to The Drop-In Centre (Rawmarsh), for the period 10th April 2019 to 31<sup>st</sup> March 2020.

**List of Appendices Included**

Appendix 1 Initial Equality Screening Document for The Drop-In Centre

**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 Application for Business Rates Discretionary Relief for The Drop-In Centre (Rawmarsh)

<b>1.</b>	<b>Background</b>						
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	<p>The Council can grant discretionary relief to:-</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> <li>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.</li> </ul>						
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	<p>Central Government and councils share every £1 of rates due as follows:</p> <table> <tr> <td>Central Government</td> <td>50%</td> </tr> <tr> <td>South Yorkshire Fire and Rescue Authority</td> <td>1%</td> </tr> <tr> <td>Rotherham MBC</td> <td>49%</td> </tr> </table>	Central Government	50%	South Yorkshire Fire and Rescue Authority	1%	Rotherham MBC	49%
Central Government	50%						
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1.3	<b>Application</b> <b>The Drop-In Centre (Rawmarsh), Community Centre, Harding Avenue, Rawmarsh, Rotherham S62 7ED</b>						
1.3.1	The registered charity runs and maintains a community based building which serves local people.						

	<p>The charity was newly formed in April 2019 and has taken over the running of the building from the previous group which has now disbanded.</p> <p>The predominant use of the building is by Social Eyes Day Services who are a day provision for adults with mild to moderate learning disabilities and autism. All service users are referred to the group after a needs assessment by RMBC.</p> <p>The building is also used by other groups including fitness groups for the elderly and a weight management group. The facilities are also made available for children's private party bookings on evenings and at weekends.</p>
1.3.2	<p>The Drop In Centre (Rawmarsh)'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.</p> <p>The centre is open to all and actively used by adults with learning disabilities and autism, the elderly and other community groups.</p> <p>The provision of such a facility encourages community spirit and cohesion.</p>
1.3.3	<p>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.</p>
<b>2.</b>	<b>Key Issues</b>
2.1	<p>To consider the application requesting the award of discretionary relief to The Drop-In Centre (Rawmarsh)</p>
<b>3.</b>	<b>Options considered and recommended proposal</b>
3.1	<p>Given the discretionary nature of the relief requested, the Council has the discretion to either award or not award a discretionary relief.</p>
3.2	<p>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.</p>
3.3	<p>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 this business makes to the local community, it is recommended that an award for discretionary relief be granted to The Drop-In Centre (Rawmarsh).</p>

4.	<b>Consultation on proposal</b>		
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 the individual organisation referred to within this report.		
5.	<b>Timetable and Accountability for Implementing this Decision</b>		
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.	<b>Financial and Procurement Advice and Implications</b>		
6.1	The charity is newly formed and the financial aspect of running the building is in its earliest stages.		
6.2	The total cost of granting the relief for the financial year 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>
	2019/20	£349.04	£171.03
7.	<b>Legal Advice and Implications</b>		
7.1	The statutory framework for discretionary relief is set out in the body of the report.		
8.	<b>Human Resources Advice and Implications</b>		
8.1	No direct implications from this report.		
9.	<b>Implications for Children and Young People and Vulnerable Adults</b>		
9.1	The Drop-In Centre is mainly used for the day provision for Adults with mild to moderate learning disabilities and autism, providing support to these vulnerable adults and their families. RMBC Adult Care and Housing have confirmed their support for the recommendation to award discretionary relief.		
10.	<b>Equalities and Human Rights Advice and Implications</b>		
10.1	No direct implications from this report.		
11.	<b>Implications for Partners</b>		
11.1	No direct implications from this report.		

<b>12.</b>	<b>Risks and Mitigation</b>
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.
<b>13.</b>	<b>Accountable Officers</b>
	Graham Saxton, Assistant Director, Financial Services

Approvals obtained on behalf of Statutory Officers:-

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Sharon Kemp	12/12/19
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	30/10/19
Head of Legal Services (Monitoring Officer)	Bal Nahal	31/10/19

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