

Committee Name and Date of Committee Meeting

Cabinet – 22 March 2021

Report Title

New Application for Business Rates Discretionary Relief for Safe Haven Rotherham

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 application for the award of Discretionary Business Rate Relief for Safe Haven Rotherham. 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 application for Discretionary Business Rate Relief for Safe Haven Rotherham 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

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 Application for New Application for Business Rates Discretionary Relief for Safe Haven Rotherham

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 Safe Haven Rotherham, 38-40 College Street, Rotherham, S65 1AG

1.3.1 The charity provides food and clothing to disadvantaged people and those in need from their premises in the centre of Rotherham where they have recently relocated. The charity is currently in the process of refurbishing the premises.

1.3.2 Service users can be in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage such as long-term unemployment & homelessness.

1.3.3 The Charity aims to help and support service users by providing unsold fresh food gifted from commercial outlets, gifted clothing and other items. They also

- liaise with commercial outlets to receive excess, long-dated foods which can be distributed via food parcels.
- 1.3.4 With the current Covid 19 restrictions they are only able to hand out food parcels and hot/cold drinks to users/beneficiaries who must stay outside the building.
- 1.3.5 When restrictions are lifted it is hoped that they can return to a full provision where service users can meet inside and have discussions and conversations in a non-judgemental environment. Service users have previously become volunteers following suitable training which has led to the transition back into mainstream society.
- 1.3.6 Safe Haven Rotherham's application for discretionary relief is in line with the Council's qualifying criteria as set out in its policy.
- 1.3.7 The services provided are open to all 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 with effect from 1 November 2020. The organisation became a registered charity on 20 January 2021 and will be entitled to 80% mandatory relief from that date. The financial implication of awarding the relief of 100% discretionary relief for the period 1 November 2020 to 19 January 2021 and 20% discretionary relief for the period 20 January 2021 to 31 March 2022 is set out in Section 6 of this report.

2. Key Issues

- 2.1 To consider the application for Safe Haven Rotherham requesting an award of discretionary rate relief. The estimated financial implications of awarding relief based on the provisional business rates multipliers for 2021/22, announced by the Government, are set out in Section 6 and Appendix 1 of this report.

3. Options considered and recommended proposal

- 3.1 Given that the nature of the relief requested is discretionary, the Council can determine either to award or not to 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 against. In accordance with that Policy, the application (including supporting documentation) for relief has 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 this business makes to the local community, it is recommended that an award for discretionary relief be granted.

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 the individual organisation 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 (to be written by the relevant Head of Finance and the Head of Procurement on behalf of s151 Officer)

- 6.1 The applicant has completed a full application for the proposed relief to ensure compliance with the Councils discretionary scheme criteria. The financial information has been reviewed by the Finance Team.

- 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. These figures are based on the provisional business rates multipliers announced by the Government.

6.3	Year RMBC	Total Amount of Relief	Cost to
	2020/2021 (100% relief 01/11/20 to 19/01/21)	£6,284.27	£3,079.29
	2020/2021 (20% relief 20/01/21 to 31/03/21)	£1,115.46	£546.58
	2021/2022 (20% relief 01/04/21 to 31/03/22)	£5,734.40	£2,809.86

- 6.4 As the organisation became a registered charity from 20 January 2021, they will be entitled to 80% mandatory relief from that date and this is therefore not subject to a decision of the Council. The above figures are based on an award of 100% discretionary rate relief for the period 1 November 2020 to 19 January 2021 and an award of 20% discretionary rate relief for the period 20 January 2021 to 31 March 2021.

7. Legal Advice and Implications (to be written by Legal Officer on behalf of Assistant Director Legal Services)

- 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:-

	Named Officer	Date
Chief Executive	Sharon Kemp	08/03/21
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	01/03/21
Head of Legal Services (Monitoring Officer)	Bal Nahal	02/03/21

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](#).