

Committee Name and Date of Committee Meeting

Cabinet – 18 March 2024

Report Title

New Applications for Business Rates Discretionary Relief for 46th Rotherham Scout Group and Rotherham Unit 287 of the Sea Cadets Corps

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 Discretionary Business Rate Relief for 46th Rotherham Scout Group and Rotherham Unit 287 of the Sea Cadets Corps. 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 applications for Discretionary Business Rate Relief for 46th Rotherham Scout Group and Rotherham Unit 287 of the Sea Cadets Corps in accordance with the details set out in Section 6 to this report for the 2023/24 and 2024/25 financial years.

List of Appendices Included

Appendix 1 Initial Equality Screening Document
Appendix 2 Carbon Impact Assessment

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 Applications for Business Rates Discretionary Relief for 46th Rotherham Scout Group and Rotherham Unit 287 of the Sea Cadets Corps

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.

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

46th Rotherham Scout Group, Scouts Hut, Brecks Lane, Rotherham S60 2ER

1.3.1 The organisation provides activities for the benefit of young people's learning, and social and mental welfare. It aims to engage and support personal development thus empowering young people to make a positive contribution to society.

- 1.3.2 The premises are used to deliver educational and social activities. The equipment which is utilised for outdoor activities is also stored there. The hut is currently undergoing development so that it can be made available for the wider community to hire.
- 1.3.3 The organisation had to cease operations during Covid which resulted in there being no income generated to meet fixed cost expenditure. The post-Covid period has left the group with significant expenditure to ensure compliance with fire, gas and emergency lighting regulations.
- 1.3.4 46th Rotherham Scout Group's application is considered to be in line with the Council's qualifying criteria as set out in its policy. The organisation provides access to young people of all sexes, faiths, backgrounds and abilities. Access to volunteering is equally open to all sexes, faiths backgrounds and abilities and this is reflected in the volunteers who work with the organisation. The Council already provides discretionary relief to other scout groups in the Borough.
- 1.3.5 The organisation is applying for discretionary relief with regards to their 2023/24 and 2024/25 rates liability. The financial implication of awarding the relief is set out in Section 6 of the report.

1.4 **Application 2**

Rotherham Unit 287 of The Sea Cadet Corps, College Road, Rotherham S60 1JE

- 1.4.1 The organisation offers a structured programme of training and activities both on water and on land. The aim is to develop not only skills in seamanship but also to equip young people with leadership, management and team building skills.
- 1.4.2 The property, which they moved in to on 8 January 2024, is to be used as the meeting base for training and social activities. It will also be used to store all equipment which is used by the group in their training activities. There are plans to make the property available to the wider community.
- 1.4.3 The organisation currently benefits from an award of discretionary relief on its two existing premises. However, they are in the process of vacating the premises at Falding Street, Rotherham as they move all their equipment into the new premises which are the subject of this application. They will retain the premises at Thrybergh for their water-based activities.
- 1.4.4 Rotherham Unit 287 of The Sea Cadet Corps' 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 is open to all young people between the ages of 10 and 18. The organisation is run entirely by volunteers with no payments being made to any individuals for their work with the group.

- 1.4.5 The organisation is applying for discretionary relief with regards to their 2023/24 and 2024/25 rates liability. The financial implication of awarding the relief is set out in Section 6 of the report.

2. Key Issues

- 2.1 To consider the applications for the organisations listed in Section 1 of the report requesting an award of discretionary rate relief.

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 to the organisations listed in Section 1 of the report.
- 3.4 The alternative option was to decline to award relief. This has been rejected as the applications meet the Council's Policy.

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 organisations 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 applications 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 total value of the relief for the financial years 2023/24 and 2024/25 is £729.11 and £1,307.38 respectively. The cost to the Council is £357.27 (2023/24) and £640.61 (2024/25) based on the Council's 49% share. Paragraph 6.3 below shows the value of the relief for each applicant alongside the specific cost to the Council.

6.3 **Year** **Total Amount of Relief** **Cost to RMBC**

46th Rotherham Scout Group

2023/24 £605.28 £296.59

2024/25 £708.58 £347.20

Rotherham Unit 287 of The Sea Cadet Corps

2023/24 £123.83 £60.68

(The organisation did not occupy until 8 January 2024)

2024/25 £598.80 £293.41

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 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.

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 services to young people throughout the borough which aim to make a difference to their lives and have a positive impact on 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 Scheme under which other businesses are able to make an application.

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. In this case this cost is minimal.

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, Assistant Director, Financial Services

Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	Sharon Kemp	04/03/24
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	15/02/24
Assistant Director, Legal Services (Monitoring Officer)	Phil Horsfield	22/02/24

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