

Committee Name and Date of Committee Meeting

Cabinet – 14 April 2025

Report Title

New Applications for Business Rates Discretionary Relief for Hope Church
Rotherham and Target Housing Limited

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 Hope Church Rotherham and Target Housing Limited. This is in accordance with the Council's Discretionary Business Rates Relief Policy (approved by Cabinet on 12th December 2016).

Recommendations

That Cabinet

1. Approve the application for Discretionary Business Rate Relief for Hope Church Rotherham.
2. Refuse the application for Target Housing Limited.

List of Appendices Included

Appendix 1 Initial Equality Screening Document
Appendix 2 Equality Analysis Form
Appendix 3 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 Hope Church Rotherham and Target Housing Limited

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 12 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

Hope Church Rotherham, Unit C22, Alexandra Centre, Rail Mill Way, Parkgate, Rotherham, S62 6JE.

1.3.1 Hope Church Rotherham is a registered charity whose main objectives are to advance the Christian faith, relieve sickness and hardship and to promote and preserve good health by the provision of funds, goods or services including the provision of counselling and support.

1.3.2 The property is being used as a donation drop off point for Rotherham Foodbank, which is facilitated by Hope Church Rotherham, and is also used as a store and sorting location for pending deliveries to the client services point which is located at the Unity Centre in Rotherham.

- 1.3.3 Referrals into the service are via a broad range of agencies but include Citizens Advice, Mental Health Teams, Social Care and Voluntary Agencies. These agencies issue a foodbank voucher to clients in need of support and a typical food parcel contains a minimum of three days nutritionally balanced, non-perishable, tinned and dried foods that have been donated by the local community.
- 1.3.4 The foodbank is part of a nationwide network of foodbanks, supported by The Trussell Trust, working to combat poverty and hunger across the UK.
- 1.3.5 Hope Church Rotherham'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 and is recommended for approval. The organisation is inclusive to all and seeks to improve the lives and wellbeing of those experiencing poverty and hunger.
- 1.3.6 Hope Church Rotherham already receives 80% mandatory charitable relief towards their rates liability and is applying for a top up of up to 20% discretionary relief with regards to their remaining 2024/25 and 2025/26 rates liability. The financial implication of awarding the relief is set out in Section 6 of the report.

1.4 Application 2

Target Housing Limited, 3 & 10 Elliott Court, Rotherham S65 1EW

- 1.4.1 Target Housing Limited is a registered charity and social landlord which provides housing to the homeless or to those at risk of homelessness. Housing is available for those at risk of re-offending, victims of domestic abuse or anyone with drug related or mental health issues.
- 1.4.2 The property is used as offices to accommodate the housing support workers who support the residents in the properties.
- 1.4.3 Support staff provide individually tailored packages working in partnership with a network of voluntary, statutory and community organisations to ensure that the people they support receive the care that they need with full independence being the end goal.
- 1.4.4 Target Housing Limited has projects across South Yorkshire, Humberside, North East Lincolnshire and East Midlands. Not all vulnerable groups are supported in every area, but the organisation has around 200 staff supporting its clients towards achieving independent living.
- 1.4.5 Target Housing Limited's application for the award of discretionary relief is not considered to be in line with the Council's qualifying criteria as set out in its policy and is not recommended for approval. An award of discretionary rate relief would be considered to give them an unfair advantage over other social housing provisions in the borough who are offering a similar service.

- 1.4.6 Target Housing Limited already receives 80% mandatory charitable relief towards their rates liability and is applying for a top up of up to 20% discretionary relief with regards to their remaining 2024/25 and 2025/26 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 this organisation makes to the local community, it is recommended that an award for discretionary relief be granted to Hope Church Rotherham and refused for Target Housing Limited.
- 3.4 The alternative options were to decline to award relief to Hope Church Rotherham and to award relief to Target Housing Limited. These options have been rejected as the application from Hope Church Rotherham meets the Council's Policy and the application from Target Housing Limited does not.

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 organisation 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 application 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 premises for the proposed relief to ensure compliance with the Council's discretionary scheme criteria.

6.2 Paragraph 6.3 shows the value of the relief by year for the recommended applicant alongside the specific cost to the Council. Paragraph 6.4 details, provided for information is the value of relief by year for the applicant that is not recommended for approval.

6.3 **RECOMMENDED FOR APPROVAL:**

Hope Church Rotherham

(Did not occupy until 26 November 2024)

<u>Year</u>	<u>Total Amount of Relief</u>	<u>Cost to RMBC</u>
2024/25	£234.77	£115.04
2025/26	£680.09	£333.24

6.4 **NOT RECOMMENDED FOR APPROVAL:**

Target Housing Limited

(Did not occupy until 1 July 2024)

<u>Year</u>	<u>Total Amount of Relief</u>	<u>Cost to RMBC</u>
2024/25	£389.58	£190.89
2025/26	£518.96	£254.29

6.5 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.

6.6 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.

7.2 The recommendation is made in accordance with the Council's Business Rates Discretionary Relief Policy and with consideration to the criteria. A decision to refuse the applications when the criteria set out within the policy has been met would leave the Council open to legal challenge.

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 Hope Church Rotherham facilitates the operation of a foodbank which issues foodbank vouchers to vulnerable individuals and families. Target Housing Limited is a social landlord which provides stable accommodation and support to vulnerable people.

10. Equalities and Human Rights Advice and Implications

- 10.1 The recommendation in the report is to grant discretionary relief to Hope Church Rotherham as this will positively impact the organisation ensuring continuity of service provision which helps tackle inequality and to refuse discretionary relief to Target Housing Limited which is offering services which are available from similar providers within the borough. This recommendation is based on the Council's Discretionary Business Rates Relief Policy under which other businesses are able to make an application.
- 10.2 An Initial Equality Screening Document has been completed and attached as Appendix 1. An Equality Analysis Form has been completed and attached as Appendix 2.

11. Implications for CO2 Emissions and Climate Change

- 11.1 It is anticipated that an award of relief would not change the organisation's 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 OBE	31/03/25
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	06/03/25
Assistant Director of Legal Services (Monitoring Officer)	Phil Horsfield	10/03/25

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