

APPLICATIONS FOR DISCRETIONARY RATE RELIEF

Submitted by: Head of Revenues & Benefits

Portfolio: Finance and Budget Management

Ward(s) affected: All

Purpose of the Report

To approve the granting of Discretionary Rate Relief in accordance with powers under Section 47 of the Local Government Finance Act 1988.

Recommendation

That, in accordance with Section 47 of The Local Government Finance Act 1988, discretionary rate relief be granted in respect of the organisations and premises detailed in Appendix A of this report

Reasons

To enable the Borough Council to provide financial assistance to charitable and not for profit organisations occupying business premises within the council area in accordance with regulations detailed in The Local Government Finance Act 1988.

1. Background

1.1 Section 47 of The Local Government Finance Act 1988 gives Councils the discretion to grant relief from the payment of business rates for charitable or not for profit organisations or in the case of charities already receiving mandatory charity relief, to grant additional discretion relief.

2. Issues

2.1 Section 47 of The Local Government Finance Act 1988 enables charitable or not for profit organisations to make application to the Council for consideration of assistance or additional assistance, with the statutory rates liability in respect of the premises they occupy for the furtherance of their activities. 25% of any discretionary relief granted and 75% of any additional discretion relief granted is paid for by the Borough Council. The remaining elements are offset against payments made to the National Non Domestic Rate Pool.

2.2 The Borough Council grants relief in accordance with the type and nature of an organisation's activity.

3. Options Considered

Not applicable

4. Proposal

4.1 That the discretionary relief set out in the attached appendix be approved.

5. **Reasons for Preferred Solution**

- 5.1 Legislation enables the Council to provide financial assistance for the payment of business rates for charitable and not for profit organisations. The roles of these organisations contribute to the health, wellbeing and activity of the area, often contributing to the creation of opportunities for individuals and groups who would otherwise be unable to access such services.

6. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 6.1 Granting the discretionary relief will fit well with the Council's corporate priorities of Creating a cleaner, safer and sustainable Borough, Creating a Borough of Opportunity and Creating a Healthy and Active Community.

7. **Legal and Statutory Implications**

- 7.1 Section 47 of The Local Government Finance Act 1988 enables the Council to grant discretionary relief for the payment of rates in respect of business premises.

8. **Equality Impact Assessment**

Not applicable

9. **Financial and Resource Implications**

- 9.1 25% of the cost of any discretionary relief granted and 75% of the cost of any additional discretionary relief is met by the Borough Council.

10. **Major Risks**

- 10.1 Failure to provide assistance to these charitable or not for profit organisations may lead to undue financial pressures being placed upon them, risking their ability to continue with their activities. This could lead to the loss of important work being carried out on behalf of the wider community.

11. **Key Decision Information**

Not applicable

12. **Earlier Cabinet/Committee Resolutions**

Not applicable

13. **List of Appendices**

Appendix A - Local Government Finance Act 1988 – Applications for Discretionary Rate Relief

15. **Background Papers**

Not applicable