

REPORT TO CABINET

Open		Would any decisions proposed :		
Any especially affected Wards - None	Discretionary	Be entirely within Cabinet's powers to decide	NO	
		Need to be recommendations to Council	YES	
		Is it a Key Decision	YES	
Lead Member: Cllr Brian Long E-mail: cldr.brian.long@west-norfolk.gov.uk		Other Cabinet Members consulted:		
Lead Officer: Jo Stanton, Revenues and Benefits Manager E-mail: joanne.stanton@west-norfolk.gov.uk Direct Dial:01553 616349		Other Members consulted: Corporate Performance Panel		
Other Officers consulted: Management Team				
Financial Implications NO	Policy/Personnel Implications YES	Statutory Implications NO	Equal Impact Assessment YES If YES: Pre-screening	Risk Management Implications NO

Date of meeting: 13 March 2018

NON DOMESTIC RATES – DISCRETIONARY RELIEF POLICY 2018/2019

Summary

This report requests Members agree the refreshed wording of the Discretionary Relief policy. There are no changes to the actual criteria for receiving relief, or to any of the Discretionary Reliefs already awarded.

The Council is able to award Discretionary Relief to its ratepayers to reduce or remit their Non Domestic Rates (Business Rates) bill.

The Council must approve any awards of Discretionary Relief. This is achieved by having a Discretionary Relief Policy agreed by Members, allowing Officers to award reliefs where the policy criteria are met. For many years the Council has operated a Discretionary Relief policy that gives help to charitable, not for profit and sporting organisations, based in the Borough and whose work benefits the local community.

The Discretionary Relief Policy has been updated on an ad hoc basis over the years and now lacks a logical flow. Some government funded reliefs have also ended. The policy has been reviewed and refreshed and this report contains the updated policy and notes the changes which have been made.

Delegated authority to the Council Leader is also requested to decide any applications not meeting the criteria in the relief policy.

Recommendation

- 1) Cabinet agrees the changes and recommends to Council that the refreshed policy is adopted from 1 April 2018.

2) Cabinet recommends to Council that delegated authority is given to the Council Leader to decide any applications not meeting the criteria in the relief policy.

Reason for Decision

To ensure a current Non Domestic Rates Discretionary Relief policy is in place.

1. Introduction

1.1. The Council is able to award discretionary relief to organisations in the Borough to reduce or completely remit their business rates bill. For many years the Council has operated a policy that gives help to local charitable, not for profit and sporting organisations whose work benefits the local community.

1.2. The Council currently awards discretionary relief to over 690 such organisations, reducing their rates bills by nearly £630,000. The relief is spread over different organisations as below:

Type	Number	Amount of Relief
Local Charitable / Sporting Organisations	186	£204,804
National Charitable Organisations	15	£10,734
Community Amateur Sports Clubs	3	£1,102
Rural Businesses	94	£134,390
Revaluation Relief ¹	377	£225,109
Others ²	17	£51,524
Total	692	£627,663

1.3. The cost of some discretionary reliefs is met by Central Government. These are generally where a new relief is introduced and central government specifies the criteria. Of the total cost, £339,173 is funded this way and there is no cost to the Council.

1.4. The remaining £288,490 is a reduction in the Council's business rates income. However many of these reliefs were already in place when the business rates retention scheme was introduced in April 2013 so have been taken into account in the Council's baseline. Only reliefs awarded after April 2013 directly impact on the Council's income.

1.5. This report contains the refreshed Non Domestic Rates Discretionary Relief Policy and details the changes made. There are no changes to the actual relief criteria and the updates are mostly around the wording to remove some ambiguity and make the criteria clearer.

1.6. There are no changes to the existing criteria for receiving relief, or to any of the Discretionary Reliefs already awarded to local organisations.

2. Proposal

2.1. The existing relief policy was agreed from April 2014. Since then some government funded reliefs have ended and some have been superseded by changes to regulations by central government. Council has agreed delegated authority for

¹ Fully funded by Central Government – approved by Council on 21 September 2017

² Some funded by Central Government

certain reliefs but this is not yet reflected in the document. The policy has become somewhat disjointed and lacking a logical flow, having been updated piecemeal over the years.

2.2. The relief policy is reviewed and refreshed for April 2018 and is attached at **Appendix B**. Obsolete reliefs are removed and minor changes made to the wording for other reliefs. The format and layout are tidied up and the different relief criteria presented more logically. Delegated authority for the Council Leader to decide any applications not meeting the criteria in the relief policy is also requested.

3. Changes to the Discretionary Relief Policy

3.1. The following updates are made to the existing policy:

Section of 2014 Policy	Change	Reason
1-7 Charitable Organisations etc.	Reordered	Changed to more logical order
2 – Community Interest Companies	Added	New section
9 – Sporting Organisations	Reordered / wording	Renumbered and wording clarified
10 – Post Offices	Removed	Superseded. Government have increased their mandatory rural rate relief to 100% from April 2017
11 – General Stores	Removed	Superseded. Government have increased their mandatory rural rate relief to 100% from April 2017
12 – Flood Relief	Removed	Ended in 2014
13 – Retail Relief	Removed	Ended in 2016
14 – Retail Reoccupation Relief	Removed	Ended in 2017
15 – Newly Built Empty Property Relief	Removed	Ended in 2017
16 – Government funded Reliefs	Added	Adds decision of full Council on 21 September 2017
17 – Individual Applications	Updated	Wording clarified and delegated authority for the Council Leader to consider applications
18 – Appeals	Added	Clarified that appeals are to be heard by Cabinet
All	Wording	Wording clarified - shown in red text

3.2. Three new sections are added. Section 2 has been included to specifically cater for Community Interest Companies as these are becoming more widely used by 'not-for-profit' organisations but do not fulfil the criteria for being treated as charitable bodies. Section 16 includes the government funded Discretionary Reliefs reflecting the delegated authority agreed by full Council on 21 September 2017. The third is Section 18 for Appeals. Notes accompanying the policy are also added at the end of the document.

4. Corporate Priorities

4.1. The Non Domestic Rates Discretionary Relief Policy supports Corporate Priority 2: Drive local economic and housing growth, as it supports local organisations.

5. Policy Implications

5.1. As the Non Domestic Reliefs are discretionary this is a Council policy. There are no policy implications as no changes are being made to the relief criteria.

6. Financial Implications

6.1. There are no financial implications as there are no changes to the criteria for any of the Discretionary Reliefs, and no new reliefs are added.

7. Any other Implications/Risks

7.1. None

8. Equality Impact Assessment

8.1. A pre-screening Equality Impact Assessment is included at Appendix A. A full assessment is not required.

9. Risk Management Implications

9.1. None

10. Declarations of Interest

10.1. None made

11. Background Papers

11.1. None.

Appendix A: Pre-Screening Equality Impact Assessment



Name of policy/service/function	Non Domestic Rates Discretionary Relief Policy 2018.2019				
Is this a new or existing policy/ service/function?	Existing				
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service rigidly constrained by statutory obligations	Policy agreed by Council for awarding discretionary relief to Non Domestic Ratepayers. Decision entirely at the discretion of Council				
Question	Answer				
<p>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age			✓	
	Disability			✓	
	Gender			✓	
	Gender Re-assignment			✓	
	Marriage/civil partnership			✓	
	Pregnancy & maternity			✓	
	Race			✓	
	Religion or belief			✓	
	Sexual orientation			✓	
	Other (eg low income)			✓	
Question	Answer	Comments			
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	No				
3. Could this policy/service be perceived as impacting on communities differently?	No				
4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	No				
5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section	N/A	Actions:			
		Actions agreed by EWG member:			
Assessment completed by: Name	Jo Stanton				
Job title Revenues and Benefits Manager	Date 5 February 2018				

Appendix B

NON-DOMESTIC RATES DISCRETIONARY RELIEF POLICY

1 APRIL 2018 ONWARDS

Additions are shown in red

CHARITABLE, VOLUNTARY AND NOT FOR PROFIT ORGANISATIONS

Reliefs listed in order of precedence

1. Voluntary Bodies

20% discretionary charitable relief will be granted to **local**³ voluntary bodies, which are registered as charities, for the premises they occupy and who receive the 80% mandatory charitable relief.

10% additional discretionary relief will be granted to **national** voluntary bodies, which are registered as charities, for the premises they occupy and who receive the 80% mandatory charitable relief.

Applications from non-registered Not-For-Profit organisations in this category who do not qualify for mandatory charitable relief will be considered for discretionary charitable relief on an individual basis. Generally 100% discretionary charitable relief will be granted to local organisations and 90% discretionary charitable relief will be granted to national organisations.

2. Community Interest Companies

100% Discretionary Relief will be awarded to local³ Community Interest Companies for the premises that they occupy.

80% Discretionary Relief will be awarded to national Community Interest Companies for the premises that they occupy.

3. Conservation and Cultural Organisations

20% discretionary relief will be awarded to registered charities already receiving the 80% mandatory charitable relief. 100% discretionary relief will be granted to non-registered charitable groups in this category who do not qualify for mandatory charitable relief. Premises will include:

- Museums
- Rehearsal rooms for bands or dramatic societies
- Premises occupied for preservation projects
- Premises occupied by Norfolk based wildlife groups

No discretionary relief will be allowed to nationally based groups

³ A local voluntary body is one that receives no support or funding from a nationally based 'parent' body

4. Village and Community Halls

20% discretionary relief will be awarded to registered charities already receiving the 80% mandatory charitable relief. 100% discretionary relief will be granted to non-registered charitable groups in this category who do not qualify for mandatory charitable relief.

In both cases where there is a fully licensed bar on the premises, no discretionary relief will be granted.

5. Young People's Activities

20% discretionary relief will be awarded where the organisation is a registered charity receiving the 80% mandatory charitable relief. 100% discretionary relief will be granted to organisations in this category not registered as charities and who do not qualify for mandatory charitable relief. This category excludes any premises occupied for sporting activities which are covered in sections 8-12.

6. Poster displays in shop windows

Where a charitable organisation uses a shop window to display their own promotional material and they become liable for non-domestic rates. Where they receive the 80% mandatory charitable relief an additional 20% discretionary charitable relief will be awarded where the following criteria are met:

- The charity is a locally based charity (as per the description in Section 3);
- Their occupation of the shop window for displaying posters is 4 weeks or less;
- Where the shop window is re-used for displays there is a break of at least one week between displays; and
- The total time a unit is used for displays does not exceed 16 weeks in any rolling 52 week period

This relief is effective from 1 April 2014.

7. Armed Forces Community Covenant: Organisations supporting Armed Forces Personnel and their Families

The National Armed Forces Covenant was published in May 2011. One of its key initiatives is the development of local Community Covenants. A Community Covenant is a voluntary statement of mutual support between the civilian community and the serving members, veterans and families of their local Armed Forces community.

A Community Covenant has been developed by Norfolk County Council and all Norfolk authorities have signed up.

20% discretionary charitable relief will be awarded to organisations receiving the 80% mandatory charitable relief. 100% discretionary relief will be awarded to charitable or non-profit organisations who do not qualify for the mandatory charitable relief and whose work supporting Armed Forces veterans and their families supports the Norfolk Community Covenant. This is effective from 1 April 2013.

8. Charity Shops

No discretionary relief will be allowed.

SPORTING ORGANISATIONS

9. Sports Grounds

100% discretionary relief will be awarded to organisations where the use of the premises is solely as a sports ground

10. Sailing Clubs, Boating Clubs, Water Sports and Fishing

25% discretionary relief will be awarded to organisations where the use of the premises is solely for the purposes of a sailing club, boating club, Water Sports Centre or fishing.

11. Bowls Clubs

100% relief will be awarded where there is no bar, or bar takings are less than £10,000.

75% relief will be awarded where bar takings exceed £10,000 but membership is more than 50% sporting.

50% relief will be awarded where bar takings exceed £10,000 and membership is equally split between social and sporting.

25% relief will be awarded where bar takings exceed £10,000 and membership is more than 50% social but there is an element of sporting membership.

12. Other Clubs (including Boxing Clubs)

100% relief will be awarded where there is no bar or bar takings are less than £10,000.

80% relief will be awarded where there is a bar and takings are equal to or more than £10,000.

13. Sports and Social Clubs

75% relief will be awarded where membership is more than 50% sporting.

50% relief will be awarded where membership is equally divided between sporting and social membership.

25% relief will be awarded where membership is more than 50% social but there is an element of sporting membership.

Sporting membership does not include indoor social sports.

OTHER BUSINESSES

14. Rural Businesses

Members will consider individual applications from organisations in rural settlements with a Rateable Value of less than £16,500. Applications from Public Houses will be subject to an annual review of their trading position and relief will only be awarded for 12 months at a time.

15. Hardship Relief

The Council operates a scheme for Hardship Relief for Non-Domestic Rates. A separate policy was agreed by Members on 4 June 2013.

16. Government Funded Discretionary Reliefs

Delegated authority is given to the Council's s151 Officer, in consultation with the Leader of the Council, to agree any Non Domestic Rate Relief schemes where the eligibility criteria are specified by Central Government and the cost is met in full by Central Government through a Grant. These schemes will be set up and administered as announced and in line with central government requirements.

17. Individual Applications

Applications will normally be considered within the Council's criteria, however, individual applications not fitting the criteria can be submitted on an individual basis for consideration by the Leader of the Council.

18. Appeals

Where any organisation or individual is dissatisfied with the outcome of their relief application they may ask for their application to be reconsidered on an individual basis by the Council's Cabinet.

NOTES TO ACCOMPANY POLICY

This Discretionary Relief policy applies to reliefs awarded under s47 Local Government Finance Act 1988.

This Policy was agreed by Full Council on xxxxxx

This Policy applies from 1 April 2018. Previous policies, and the reliefs contained in them, are still applicable for the dates they are shown as being in force.