

**REPORT TO:** Executive Board

**DATE:** 14 July 2016

**REPORTING OFFICER:** Strategic Director – Enterprise, Community and Resources

**SUBJECT:** Discretionary Non-Domestic Rate Relief

**PORTFOLIO:** Resources

**WARD(S):** Borough-wide

## **1.0 PURPOSE OF REPORT**

1.1 The purpose of this report is to consider an application for discretionary non-domestic rate relief, under the amended provisions of the Local Government Finance Act 1988.

**2.0 RECOMMENDATION: That under the provisions of Section 47 of the Local Government Finance Act 1988, the application for 15% discretionary rate relief from The Cyrenians Limited is refused on the grounds of being a national organisation.**

## **3.0 SUPPORTING INFORMATION**

3.1 Under the amended provisions of the Local Government Finance Act 1988, the Council is able to grant discretionary rate relief to any business ratepayer. This relief had previously only been available to organisations that were a charity, a community amateur sports club or a not for profit organisation. A summary of the application is presented below and the associated financial implications are shown in the Appendix.

3.2 From 1<sup>st</sup> April 2013, there have been significant changes in the funding of non-domestic rate reliefs and exemptions, following the introduction of the Business Rates Retention Scheme. The Council is now responsible for funding 49% of any award of mandatory or discretionary rate relief granted, with the Government meeting the remaining 51%. Previously, the Government fully funded all mandatory relief awards.

**The Cyrenians Ltd**  
**1 Ann Street West, Widnes**

- 3.3 The Cyrenians Limited is a national registered charity, which builds the capacity of voluntary and community organisations. The organisation also promotes co-operation and partnership working between the third sector, statutory and other relevant bodies.
- 3.4 The organisation's premises at 1 Ann Street West, Widnes are used as an administrative office and also as a base in Halton, in order to provide volunteer centres, training, funding advice, network support, a community accountancy service and social care involvement. These services are offered across the Borough.
- 3.5 As a registered charity the organisation has already been awarded 80% mandatory rate relief in respect of the above property. The annual cost of the mandatory rate relief to the Council is £5,114.13.
- 3.6 On 9 April 2015 the Board rejected an application from The Cyrenians Limited, for the remaining top-up discretionary rate relief in respect of the same premises. This was rejected on the basis that they are a national charity, as historically the Council has chosen not to provide top-up discretionary rate relief for national charities.
- 3.7 A new application has been received from The Cyrenians Limited for top-up discretionary rate relief from 1<sup>st</sup> April 2016 in respect of the above premises. Since 1<sup>st</sup> April 2016 the maximum top-up award granted by the Council is 15%. The annual cost of such an award in this instance would be £958.90.
- 3.8 On the basis that The Cyrenians Limited is a national charity, historically the Council has chosen not to provide top-up discretionary rate relief for national charities, and their application on 9 April 2015 was rejected on this basis, it is proposed that this latest application be rejected.

**4.0 POLICY IMPLICATIONS**

- 4.1 The Board is required by the regulations to consider each application on its own merit. Any recommendations provided are given for guidance only, are consistent with Council policy and, wherever possible, previous decisions.

**5.0 FINANCIAL IMPLICATIONS**

- 5.1 It should be noted that 49% of any discretionary rate relief granted to organisations receiving mandatory rate relief must be met by the Council. Any awards of mandatory rate relief will also have to be funded at the same percentage (49%) by the Council. The Appendix presents the potential costs to the Council.

## **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### **6.1 Children and Young People in Halton**

None.

### **6.2 Employment, Learning and Skills in Halton**

None.

### **6.3 A Healthy Halton**

None.

### **6.4 A Safer Halton**

The Cyrenians Ltd offers supported housing to vulnerable families seeking refuge.

### **6.5 Halton's Urban Renewal**

None.

## **7.0 RISK ANALYSIS**

7.1 There are no key risks associated with the proposed action.

## **8.0 EQUALITY AND DIVERSITY ISSUES**

8.1 The applicants offer their services to all sections of the community, without any prejudice.

## **9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>9.1</b>	<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
	Application forms and supporting evidence	Kingsway House, Caldwell Road, Widnes	Janet Sinnott, Business Rates Manager

**APPENDIX**

<b>Ratepayer</b>	<b>Address</b>	<b>Annual Rates 2016/17 £</b>	<b>Actual Rates Liability 2016/17 £</b>	<b>Mandatory Rate Relief Awarded</b>	<b>Annual Cost of Mandatory Rate Relief to HBC £</b>	<b>Actual Rates Payable 2016/17 £</b>	<b>Disc. Rate Relief Claimed</b>	<b>Annual Cost of Disc.Rate Relief to HBC 2016/17 £</b>	<b>Actual Cost of Disc. Rate Relief to HBC 2016/17 £</b>
The Cyrenians Ltd	1 Ann Street West, Widnes	13,046.25	13,046.25	80%	5,114.13	2,609.25	15%	958.90	958.90