

**REPORT TO:** Executive Board

**DATE:** 15 September 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 Loose be granted for the period of three years commencing 1st April 2016.**

## **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.

**Loose Studio**  
**2 Lacey Street, Widnes**

- 3.3 Loose is a local registered charity whose objective is to remove barriers to participation in music, arts and life. The Loose Studio is for community benefit and is also used by other not for profit support groups and organisations. The organisation is run by volunteers.
- 3.4 The organisation's premises at 2 Lacey Street, Widnes are used as an arts and music centre for adults with mental health issues, young people, people of the community who are unemployed, local theatre & music groups, dance classes and for local fund raising events. The premises are also used by MIND, Just Chill (referred support group for disadvantaged young people) and Fresh Start.
- 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 £2,240.48
- 3.6 Retail rate relief was awarded in 2014/15 and 2015/16 which offset the remaining balance due in respect of business rates, however, this relief has now ceased.
- 3.7 A new application has therefore been received from Loose seeking 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 to the Council in this instance would be £420.09.

**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 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**  
Loose offers community support to children through the promotion of arts and music.

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

None.

**6.3 A Healthy Halton**

The organisation provides an arts and music centre for adults with mental health issues and also dance classes for all age groups.

**6.4 A Safer Halton**

None

**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>
Loose	2 Lacey Street, Widnes	5,715.50	5,715.50	80%	2,240.48	1,143.10	15%	420.09	420.09