

**REPORT TO:** Executive Board  
**DATE:** 9 April 2015  
**REPORTING OFFICER:** Strategic Director – Policy & 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 3 applications for discretionary non-domestic rate relief, under the amended provisions of the Local Government Finance Act 1988.

## **2.0 RECOMMENDED: That**

**1) Discretionary rate relief be granted to the following organisations at the percentages indicated, for the period from 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2019;**

<b>Halton Community Partnership Trust</b>	<b>15%</b>
<b>Halton Disability Partnership</b>	<b>15%</b>

**2) that discretionary rate relief is backdated in respect of the following organisation, at the percentage indicated, for the period up to 31<sup>st</sup> March 2015;**

<b>Halton Community Partnership Trust</b>	<b>20%</b>
<b>Halton Disability Partnership</b>	<b>20%</b>

**3) the application for discretionary rate relief from The Cyrenians Ltd, be refused on the grounds of them 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 applications is presented below and the associated financial implications are shown in Appendix 1.

- 3.2 Since 1<sup>st</sup> April 2013 the Council has been 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.
- 3.3 On 26<sup>th</sup> February 2015 the Board approved providing 15% discretionary relief in future, where applications were approved from registered charities or community amateur sports clubs

**Halton Community Partnership Trust Ltd**  
**The Old Police Station, Mersey Road, Runcorn**

- 3.4 Halton Community Partnership Trust (HCPT) Ltd has become a registered charity, with effect from 5<sup>th</sup> February 2013. The Trust is responsible for the management of the Community Partnership Centre and the letting of facilities within the premises to community and voluntary organisations.
- 3.5 The premises are used by such groups to offer programmes in order to advance education, offer facilities in the interest of social welfare and also for recreational use. It is intended that the provision of such opportunities will improve the quality of life of residents. In addition, the property is used as an administrative base for the charity.
- 3.6 HCPT Ltd had previously been awarded 100% discretionary rate relief, as a not-for-profit organisation. However, following their registration as a charity, the Trust is now entitled to 80% mandatory rate relief, at an annual cost of £6,518.57 to the Council. An application has been received for the additional 20% discretionary rate relief from the date of registration as a charity. As referred to in paragraph 3.3 above, it is proposed to provide 15% discretionary rate relief the cost of which would be as follows;

Annual Cost to Taxpayer (49%)	£1,222.23
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HCPT Ltd would therefore need to meet the remaining 5% of their rates liability totalling £831.45 pa.

- 3.7 It is recommended that the backdated element of discretionary rate relief is provided at 20% rather than 15%, as this was the policy in operation during that period.

**Halton Disability Partnership**  
**Part Ground Floor, Sefton House, Public Hall Street, Runcorn**

- 3.8 Halton Disability Partnership (HDP) is a registered charity, which provides advice and support for disabled people in Halton. HDP is a user led organisation, which aims to improve the lives of disabled persons within the Borough.

3.9 The application is in respect of the premises in Runcorn, which are used by the charity to provide advice services and peer support for disabled people. The offices are also utilised as an administrative base for the charity, in which to facilitate and co-ordinate such operations.

3.10 As a registered charity, the organisation has already been awarded 80% mandatory rate relief. The annual cost of the award of mandatory relief to the Council is £944.72. An application has also been received for discretionary rate relief for the remaining 20% of their rates liability. As referred to in paragraph 3.3 above, it is proposed to provide 15% discretionary rate relief the cost of which would be as follows;

Annual Cost to Taxpayer (49%)	£177.14
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HDP would therefore need to meet the remaining 5% of their rates liability totalling £120.50 pa.

3.11 It is recommended that the backdated element of discretionary rate relief is provided at 20% rather than 15%, as this was the policy in operation during that period.

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

3.12 The Cyrenians Ltd (whose operating name is Changing Lives) is a 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.

3.13 The premises 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.

3.14 As a registered charity the organisation has already been awarded 80% mandatory rate relief. The annual cost of the award of mandatory rate relief to the Council is £4,959.78. An application has been received for discretionary rate relief for the remaining 20%. The additional cost if 15% rate relief were granted would be as follows;

Annual Cost to Taxpayer (49%)	£929.96
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3.15 However, The Cyrenians Ltd is a national organisation and historically the Council has not provided discretionary rate relief for national organisations. Therefore it is recommended that this application is refused.

**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 Taxpayer. Any awards of mandatory rate relief will also have to be funded at the same percentage (49%) by the Council. Appendix 1 identifies the cost to the Council Taxpayer for each application.

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

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

None specifically applicable.

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

HCPT Ltd offers facilities to promote learning.

### **6.3 A Healthy Halton**

None specifically applicable.

### **6.4 A Safer Halton**

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

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

None specifically applicable.

## **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 Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
Application forms and supporting evidence	Kingsway House, Caldwell Road, Widnes	Phil Murphy, Business Rates Manager

**APPENDIX 1**

<b>Ratepayer</b>	<b>Address</b>	<b>Annual Rates 2014/15</b>	<b>Actual Rates Liability 2014/15</b>	<b>Mandatory Rate Relief Awarded</b>	<b>Annual Cost of Mandatory Rate Relief to HBC</b>	<b>Actual Rates Payable 2014/15</b>	<b>Disc. Rate Relief</b>	<b>Annual Cost of Disc. Rate Relief to HBC</b>	<b>Actual Cost of Disc. Rate Relief to HBC 2014/15</b>
		<b>£</b>	<b>£</b>	<b>%</b>	<b>£</b>	<b>£</b>	<b>%</b>	<b>£</b>	<b>£</b>
Halton Community Partnership Trust Ltd	The Old Police Station, Mersey Road, Runcorn.	16,629.00	16,629.00	80%	6,518.57	3,325.80	15%	1,222.23	1,222.23
Halton Disability Partnership	Ground Floor, Sefton House, Public Hall Street, Runcorn	2,410.00	1,855.37	80%	944.72	371.07	15%	177.14	136.37
The Cyrenians Ltd	1 Ann Street West, Widnes	12,652.50	9,498.04	80%	4,959.78	1,899.61	15%	929.96	698.11