

South Lakeland District Council
Discretionary Rate Relief Sub-Committee
26th August 2015

Determination of Applications for Discretionary Rate Relief

PORTFOLIO:	Councillor Heidi Halliday – Housing and Strategic Development Portfolio Holder
REPORT FROM:	Shelagh McGregor - Assistant Director (Resources) and Section 151 Officer
REPORT AUTHOR:	Ross McLaughlin – Revenues Officer (BIDs and Reliefs)
WARDS:	Not Applicable
KEY DECISION:	Not Applicable

1.0 EXPECTED OUTCOME

- 1.1 Members will consider the applications listed at Appendix 2 to this report and determine whether discretionary rate relief should be awarded in each case by reference to the policy guidelines for determining applications shown at Appendix 1 to this report.
- 1.2 Members are expected to provide reasons for cases where relief is refused. Applicants will be formally notified of the decision along with their rights of appeal.

2.0 RECOMMENDATION

2.1 It is recommended that the Sub-Committee:-

- (1) continues to award discretionary rate relief to those organisations listed in Appendix 2; and**
- (2) In each case relief continues to be awarded at the same percentage as the previously awarded.**
- (3) Awards discretionary rate relief of 80 per cent to Inspira Cumbria Limited as it provides sufficient benefits to residents of the South Lakeland in comparison to the cost that awarding relief would place on the taxpayer.**

3.0 BACKGROUND AND PROPOSALS

- 3.1 Cabinet on the 29th January 2014 (CEX/123) introduced four policies for determining applications for discretionary rate relief. All applications in this

report have been submitted by charitable or non-profit making organisations and fall to be determined under paragraph 3 of Appendix 1

- 3.2 In these cases the applicant must demonstrate that the application is exceptional and such cases are to be considered by a panel of three Cabinet Members who will balance the benefits a particular organisation brings to the residents of the District generally against the cost of awarding relief to the Council Taxpayer and the consequences on the Council's budget. In these specific cases relief will usually be awarded for a fixed period of one year.
- 3.3 The award of discretionary rate relief to charitable organisations and other non-profit making organisations is to help achieve our priorities and targets set out in the Council Plan.
- 3.4 Organisations whose applications were determined by the discretionary rate relief sub-committee in 2014/2015 have been asked to reapply for 2015/2016.

4.0 CONSULTATION

- 4.1 A full public consultation exercise was undertaken prior to introduction of the new policies.

5.0 ALTERNATIVE OPTIONS

- 5.1 Members may determine whether or not relief should be awarded in each case although reference must be made to the Council's policy guidelines. The % awarded can be varied depending upon the individual circumstances.

6.0 LINKS TO COUNCIL PRIORITIES

- 6.1 The award of discretionary rate relief to charitable organisations and other non-profit making organisations is to help achieve our priorities and targets set out in the Council Plan.

7.0 IMPLICATIONS

7.1 Financial and Resources

- 7.1.1 To date awards of Discretionary Rate Relief totalling £ 78,269 have been made. To award relief in the cases outlined in Appendix 2 would increase this amount to £ 117,555. South Lakeland District Council does not have a specific budget for Discretionary Rate Relief as it opted into the Cumbria Business Rates pool as part of the Business Rate Retention Scheme. The costs of awarding relief under this policy are, broadly speaking, split 50% Central Government, 40% South Lakeland DC and 10% Cumbria County Council and Fire Authority.

7.2 Human Resources

- 7.2.1 Not Applicable

7.3 Legal

- 7.3.1 Section 47 (2) (a) of the Local Government Finance Act 1988 gives the Council discretion to determine the chargeable amount where the ratepayer is a Charity or Trustees for a Charity. In effect this allows the Council to top up the 80% statutory relief to up to 100% relief in total.
- 7.3.2 Section 47 (2) (b) of the Local Government Finance Act 1988 gives the Council discretion to determine the chargeable amount where the property is

occupied for the purposes of one or more institutions or other organisations none of which is established for profit and whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts. Relief to up to 100% can be awarded in total.

7.3.3 Section 47 (2) (c) of the Local Government Finance Act 1988 gives the Council discretion to determine the chargeable amount where the property is used wholly or mainly for the purposes of recreation, and all or part of it is occupied for the purposes of a club, society or other organisation not established or conducted for profit.

7.4 Social, Economic and Environmental

7.4.1 A sustainability impact assessment has not been carried out as these are individual applications.

7.4.2 Any awards or refusals of applications are considered to have a neutral impact on sustainability.

7.5 Equality and Diversity

7.5.1 An equality and diversity impact assessment has not been carried out.

7.5.2 An assessment has not been undertaken, as this is proposal based on a previously agreed Council policy for which an assessment was undertaken.

7.6 Risk

Risk	Consequence	Controls required
A decision may be made which does not comply with legislation.	The auditor may qualify the final pool contribution and the Department for Communities and Local Government could adjust the final return with the costs of this award being met by the Council.	A set of policy guidelines, which have been prepared to comply with legislation.
A decision may be made that creates a precedent for other similar applications.	The Council would not have budgetary resources to meet further large applications.	The policy guidelines are adhered to with reasons given as to why particular cases are considered to qualify. Close monitoring of the budget profile.

CONTACT OFFICERS

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APPENDICES ATTACHED TO THIS REPORT

Appendix No.	
1	GUIDELINES FOR DETERMING APPLICATIONS FOR DISCRETIONARY RATE RELIEF FROM CHARITABLE AND OTHER NON-PROFIT MAKING ORGANISATIONS
2	LIST OF APPLICATIONS TO BE CONSIDERED WITH SUMMARY OF KEY POINTS IN EACH CASE

BACKGROUND DOCUMENTS AVAILABLE

There are no background papers to this report.

TRACKING INFORMATION

Assistant Director	Portfolio Holder	Solicitor to the Council	SMT	Scrutiny Committee
03/07/15	03/07/15	03/07/15	n/a	n/a
Executive (Cabinet)	Committee	Council	Section 151 Officer	Monitoring Officer
n/a	n/a	n/a	03/07/15	03/07/15
Human Resource Services Manager	Leader	Ward Councillor(s)	Use these boxes for additional tracking	Use these boxes for additional tracking
n/a	n/a	n/a		