

**South Lakeland District Council**  
**Discretionary Rate Relief Sub-Committee**  
**26 October 2016**

**Determination of Applications for Discretionary Rate Relief**

<b>PORTFOLIO:</b>	<b>Councillor Peter Thornton – Finance Portfolio Holder</b>
<b>REPORT FROM:</b>	<b>Shelagh McGregor - Assistant Director (Resources) and Section 151 Officer</b>
<b>REPORT AUTHOR:</b>	<b>Ross McLaughlin – Revenues Officer (BIDs and Reliefs)</b>
<b>WARDS:</b>	<b>Not Applicable</b>
<b>KEY DECISION:</b>	<b>Not Applicable</b>

**1.0 EXPECTED OUTCOME**

- 1.1 Members will consider the application made and determine whether Discretionary Rate Relief should be awarded by reference to the policy guidelines for determining applications shown at Appendix 1 to this report.
- 1.2 Reasons should be provided 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) Awards Discretionary Rate Relief at 20 per cent to Milnthorpe Steel Band as the benefits that they bring to the residents of the district outweigh the cost of awarding relief ; and**
- (2) The period of the award is 1 April 2016 – 31 March 2017**

**3.0 BACKGROUND AND PROPOSALS**

- 3.1 Discretionary Rate Relief policies were agreed by Cabinet on 28 January 2014 (CEX/123). The relevant policy is attached to this report as Appendix 1.
- 3.2 The case in this report falls under paragraph 3 of the policy. Such cases are considered by a panel of Cabinet Members who balance the benefits an organisation brings to the residents of the District generally against the cost of awarding relief to the Council Taxpayer, and, the cost to the Council.
- 3.3 Milnthorpe Steel Band allows members of the community to learn, develop and perform steel band music; and to participate in performances, workshops,

demonstrations and taster sessions. They are one of few bands that provide this opportunity and supply all equipment necessary. All funds go towards maintaining and developing the band.

3.4 The application made is in line with the Council's policy, in that the organisations' main objects are charitable and benefits the residents of the district sufficiently when compared to the cost of awarding relief.

3.5 Milnthorpe Steel Band receive Mandatory Relief at 80 per cent, meaning that the maximum award of Discretionary Rate Relief would be 20 per cent.

#### **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 The alternative would be to refuse the application; but this is not recommended since that would not be in accordance with the Council's policy.

#### **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 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.

7.1.2 Business Rates payable by Milnthorpe Steel Band after other reliefs, amount to £ 1267.35 for 2016/17.

7.1.3 If the application was approved as recommended, Discretionary Rate Relief of £ 1267.35 would be awarded.

##### **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.

7.3.3 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

Have you completed and Health, Social, Economic and Environmental Impact Assessment?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If yes, please confirm that it is attached to the report in the appendices.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If you have not completed an Impact Assessment, please explain your reasons.	A sustainability impact assessment has not been carried out as these are individual applications. Any awards or refusals of applications are considered to have a neutral impact on sustainability	

#### 7.5 Equality and Diversity

Have you completed an Equality Impact Analysis?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If yes, please confirm that it is attached to the report in the appendices.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If you have not completed an Impact Assessment, please explain your reasons.	An equality and diversity impact assessment has not been carried out. The proposals in this report are 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	A set of policy guidelines, which have been prepared to comply with legislation.

<b>Risk</b>	<b>Consequence</b>	<b>Controls required</b>
	Government could adjust the final return with the costs of this award being met by the Council.	

## **CONTACT OFFICERS**

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## **APPENDICES ATTACHED TO THIS REPORT**

<b>Appendix No.</b>	
<b>1</b>	<b>GUIDELINES FOR DETERMING APPLICATIONS FOR DISCRETIONARY RATE RELIEF FROM CHARITABLE AND OTHER NON-PROFIT MAKING ORGANISATIONS</b>
<b>2</b>	<b>LIST OF APPLICATIONS FOR CONSIDERATION</b>
<b>3</b>	<b>COPY OF DISCRETIONARY RATE RELIEF APPLICATION FOR MILNTHORPE STEEL BAND; A COPY OF THEIR CONSTITUTION; AND A COPY OF THEIR FINANCIAL STATEMENTS FOR YEAR ENDED 26 JANUARY 2016.</b>

## **BACKGROUND DOCUMENTS AVAILABLE**

There are no background papers to this report.

## **TRACKING INFORMATION**

<b>Assistant Director</b>	<b>Portfolio Holder</b>	<b>Solicitor to the Council</b>	<b>SMT</b>	<b>Scrutiny Committee</b>
11/10/16	n/a	11/10/16	n/a	n/a
<b>Executive (Cabinet)</b>	<b>Committee</b>	<b>Council</b>	<b>Section 151 Officer</b>	<b>Monitoring Officer</b>
n/a	n/a	n/a	11/10/16	11/10/16
<b>Human Resource Services Manager</b>	<b>Leader</b>	<b>Ward Councillor(s)</b>	<b>Use these boxes for additional tracking</b>	<b>Use these boxes for additional tracking</b>
n/a	n/a	n/a		