

**South Lakeland District Council**  
**Discretionary Rate Relief Sub-Committee**  
**23<sup>rd</sup> July 2014**

**Determination of Applications for Discretionary Rate Relief**

<b>PORTFOLIO:</b>	<b>Councillor Graham Vincent – Health and Wellbeing Portfolio Holder</b>
<b>REPORT FROM:</b>	<b>Shelagh McGregor - Assistant Director (Resources) and Section 151 Officer</b>
<b>REPORT AUTHOR:</b>	<b>Alan Raven – Revenues and Benefits Manager</b>
<b>WARDS:</b>	<b>Not Applicable</b>
<b>KEY DECISION NO:</b>	<b>Not Applicable</b>

**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 the decision in each case and applicants will then 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) considers each application for discretionary rate relief listed in Appendix 2 with reference to the policy guidelines at Appendix 1; and**
- (2) determines the appropriate % relief to be awarded in each case and provides reasons for the decision in each case.**

**BACKGROUND AND PROPOSALS**

- 3.1 Cabinet on the 29<sup>th</sup> 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 All recipients of discretionary rate relief were required to submit new applications for relief following introduction of the new policies which are effective from 1<sup>st</sup> April 2014.

#### **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.

5.2 Specific recommendations have not been made as this would fetter the discretion available to Members.

#### **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 Within the Business Rate Retention Scheme budget a sum of £119,736 has been allocated to the award of discretionary rate relief. The Executive of the Council has been delegated powers to determine cases and to date has made awards totalling £55,016 leaving an unspent balance of £64,720 available to this Sub-Committee.

##### **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**

<b>Risk</b>	<b>Consequence</b>	<b>Controls required</b>
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

<b>Appendix No.</b>	
<b>1</b>	<b>GUIDELINES FOR DETERMINING APPLICATIONS FOR DISCRETIONARY RATE RELIEF FROM CHARITABLE AND OTHER NON-PROFIT MAKING ORGANISATIONS</b>
<b>2</b>	<b>LIST OF APPLICATIONS TO BE CONSIDERED WITH SUMMARY OF KEY POINTS IN EACH CASE</b>
<b>3</b>	<b>DETAILED APPLICATION IN EACH CASE</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>
03/07/14	03/07/14	03/07/14	10/07/14	n/a
<b>Executive (Cabinet)</b>	<b>Committee</b>	<b>Council</b>	<b>Section 151 Officer</b>	<b>Monitoring Officer</b>
n/a	23/07/14	n/a	03/07/14	03/07/14
<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		