

CANNOCK CHASE COUNCIL
MINUTES OF THE MEETING OF THE
RATE RELIEF COMMITTEE
HELD ON WEDNESDAY, 24 APRIL, 2013 AT 4.00 PM
IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK

PART 1

PRESENT: Councillors

Pearson, A. (Chairman)
Kraujalis, J. T. (Vice-Chairman)

Alcott, G. Johnson, J.
Bottomer, B. Rowley, J.
Grocott, M. R.

9. Apologies

No apologies for absence were received.

10. Declarations of Interests of Members in Contracts and Other Matters and Restriction on Voting by Members

The following declaration of Interest was made in addition to those already confirmed by Members in the Register of Members' Interests:-

<u>Member</u>	<u>Nature of Interest</u>	<u>Type</u>
Grocott, M. R.	Application for National Non-Domestic Rates - Charitable Relief - Rugeley Rugby Club Ltd., Nelson Headquarters, Station Road, Rugeley His sons are members of the Club	Personal and Prejudicial

11. Minutes

RESOLVED:

That the Minutes of the meeting held on 27 September, 2012 be approved as a correct record and signed.

12. National Non-Domestic Rates – Charitable Relief

Consideration was given to the Report of the Head of Finance (Enclosure 4.1 – 4.24 of the Official Minutes of the Council).

RESOLVED:

- (A) That the action of the Head of Finance in awarding Mandatory Rate Relief as set out below be noted and that the amount of Discretionary Rate Relief be awarded as follows:-

- (i) Rugeley Rugby Club Limited, Nelson Headquarters, Station Road, Rugeley

That 80% Mandatory Rate Relief and 5% Discretionary Rate Relief be granted in respect of the above premises for the period 1 September, 2012 to 31 March, 2013 and for one year with effect from 1 April, 2013.

(Having declared a personal and prejudicial interest, Councillor M. R. Grocott left the meeting prior to consideration of the above item)

- (ii) The Knights Foundation, Units 217, 220 & 221 Wolseley Court, Towers Business Park, Rugeley

That 80% Mandatory Rate Relief and 5% Discretionary Rate Relief be granted in respect of the above premises for the period 1 May, 2012 to 13 December, 2012.

- (iii) Chase Learning Trust, Hazel Slade Primary School, Rugeley Road, Hazel Slade, Cannock

That 80% Mandatory Rate Relief be granted in respect of the above premises for the period 13 February 2012 to 31 March 2012 and for the following two years from 1 April 2012 to 31 March, 2014.

- (iv) Newlife Trading Limited, Unit 2 On-Line Business Centre, Unit 1 Hemlock Business Park, Unit 2 Hemlock Business Park, Unit 3 The Retail Business Park and Unit 3 Ranton Park, Martindale.

That 80% Mandatory Rate Relief be granted in respect of the above premises for the period 1 April, 2013 to 31 March, 2014 and that the application for Discretionary Rate Relief be refused on the grounds that it is inappropriate for one charity to receive such a disproportionate percentage of the overall budget.

- (v) Katharine House Retail Limited, Unit 2 The Retail Business Park, Hemlock Way, Hawkes Green, Cannock

That 80% Mandatory be granted in respect of the above premises for the period 1 April, 2013 to 31 March 2014 and that the application for Discretionary Rate Relief be refused on the grounds that it is inappropriate for one charity to receive such a disproportionate percentage of the overall budget.

- (B) St. Giles Hospice Shops Limited, Unit 6 Lakeside Plaza, Walkmill Lane, Bridgtown.

Consideration was given to the application for Discretionary Rate Relief in respect of

the above premises. Following a debate by Members in which it was noted that the Council currently makes a substantial donation to the organisation, the following motion was moved by Councillor J. Johnson and seconded by Councillor M. R. Grocott:-

‘That 80% Mandatory Relief and 5% Discretionary Rate Relief be granted in respect of the application.’

Councillor G. Alcott then moved the following amendment to the motion which was seconded by Councillor B. Bottomer:-

‘That 80% Mandatory Relief be granted in respect of the above premises and that having regard to the potential cost to the General Fund the application for Discretionary Rate relief (Local Discount) in respect of the above premises be refused’.

Following a vote, the amendment was carried and became the substantive motion. Following a vote the substantive motion was carried.

RESOLVED:

That 80% Mandatory Relief be granted in respect of the above premises for the period 28 December, 2012 to 31 March, 2013 and for one year with effect from 1 April, 2013 and that having regard to the potential cost to the General Fund the application for Discretionary Rate relief (Local Discount) in respect of the above premises be refused.

13. Update from the Local Taxation and Benefits Manager on Business Rates Retention and the Work Programme for 2013-14

The Local Taxation and Benefits Manager advised that the funding of Rate Relief had changed with effect from 1 April, 2013 in accordance with the Non Domestic Rating (Rates Retention) Regulations, 2013. He reported that Cabinet had recommended that the current scheme framework remain in place for 2013-14 and that the Committee take the opportunity to review the current scheme guidelines; procedures; application and approval process to provide a comprehensive framework for 2014-15. It is proposed that from 2014-15 the provision of all discretionary Rate Relief including hardship cases would be delegated to the Portfolio Holder and Head of Finance, in accordance with the agreed framework. Any Rate Relief applications, not covered by the framework, or policy issues would be referred to Cabinet.

All Rate Relief would now be apportioned in accordance with the allocation of Rate Income between Central Government (50%); District (40%); County (9%); Fire and Rescue Service (1%). The Committee was advised that full implementation of the Business Rates Retention would require careful budget monitoring of all aspects, including all categories of Mandatory Relief, as well as Small Business Rates; empty properties and relief to charities and Discretionary Relief. The Local Taxation and Benefits Manager reported that processes would need to be in place to ensure that the scheme was consistent, equitable and

transparent and that all applications were treated on their merits, rather than the budget available. It was explained that Business Rates Income with effect from 1 April, 2013 had become a direct funding stream for the Council, therefore any Rate Relief given would have an impact upon that funding. However, the changes in funding would have no impact upon existing Discretionary Relief and Mandatory relief which had previously been approved.

It was explained that as a financial safeguard, along with other neighbouring authorities, Cannock Chase Council had entered into a pooling arrangement with Solihull and Birmingham Local Enterprise Partnership. This was as a means of protection against any future potential shortfall in income.

The Committee suggested that the Head of Finance attend the next meeting which would be held in June 2013 and that a forecast of estimated income and expenditure figures be provided. The Local Taxation and Benefits Manager advised that a draft framework for determining new applications would be developed and would be presented to the meeting to be held in September, 2013 for consideration.

RESOLVED:

- (A) That the Local Taxation and Benefits Manager prepare a briefing note regarding the changes to the retention of Non Domestic Rate income which includes suggested examples of good practice in the administration of Rate Relief.
- (B) That, during 2013, the Committee approves a comprehensive framework for dealing with Discretionary Rate Relief, to take effect from 1 April 2014.

CHAIRMAN

(The meeting closed at 5.05 pm)