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Key Decision:	No
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CABINET
19 OCTOBER 2017
MANDATORY & DISCRETIONARY RATE RELIEF POLICY

1 Purpose of Report

- 1.1 To refresh and update the Mandatory and Discretionary Rate Relief Policy.
- 1.2 To include into the policy, new rate reliefs introduced by the Chancellor's Spring 2017 Budget announcement.

2 Recommendations

That:

- 2.1 The Mandatory and Discretionary Rate Relief Policy as detailed at Appendix 1 be adopted.
- 2.2 In particular, that the Revaluation Support Scheme included in the policy be noted and adopted.
- 2.3 Officers award rate relief to affected organisations, in line with the Mandatory and Discretionary Rate Relief Policy.

3 Key Issues and Reasons for Recommendation

- 3.1 The Council has a statutory duty to consider applications for Mandatory and Discretionary Rate Relief as a part of its function to administer the National Non-Domestic Rates service.
- 3.2 The Council adopted its current Mandatory and Discretionary Rate Relief Policy in 2014 and the operation of that policy has worked well.
- 3.3 The revised draft policy does not substantially change the rate of relief afforded to current recipients. The changes to the policy will:

- Refresh the policy to account for any changes resulting from the 2017 revaluation of Business Rates;
- Introduce new relief schemes announced in the Chancellor's Spring 2017 budget;
- Remove previous, government funded, schemes which were time related and have expired;
- Make the application and award process as simple as it can be, so as to enable officers to make wards to affected businesses quickly.

3.4 The draft policy attached is currently subject to an ongoing consultation process with our major preceptors and with other Billing Authorities within Staffordshire.

4 Relationship to Corporate Priorities

4.1 This report supports the Council's Corporate Priorities as follows:

By the provision of rate relief to appropriate qualifying organisations, the Council supports all of the Corporate Priorities. In particular, Health Outcomes are encouraged by the support to sports clubs, Jobs and Skills are enhanced by support to commercial organisations and Customers will benefit from the appropriate use that we make of a limited relief budget.

5 Report Detail

5.1 This report and draft policy deal with the administration of:

- Mandatory Charitable Relief and Rural Rate Relief (under Sections 43 & 45 Local Government Finance Act 1988 and Section 64 of the Local Government Act 2003);
- Discretionary Relief is Governed by Local Government Finance Act 1988 – Sections 44A & 47 and Section 69 of the Localism Act 2011;
- Remission of Rates on the grounds of severe hardship (Section 49 Local Government Finance Act 1988);
- Reductions in respect of partly occupied properties (under Section 44A Local Government Finance Act 1988);
- Community Amateur Sports Clubs (CASCs) Section 64 of the Local Government Act 2003.

5.2 Individual consideration of the merits of each application is an essential part of any discretionary process and is preserved in the draft policy. Every application will be scrutinised against the framework and rates of relief will be varied, where appropriate.

5.3 New types of rate relief, for which government funding is provided were announced in the Spring 2017 Budget. These are included in the new policy and are described briefly here:

- Public Houses with a rateable value of less than £100,000 will be granted a reduction equal to the lesser of their 2017-18 bill or £1,000 for the 2017-18 year. Full government funding exists for this relief.
- Businesses which lose Small Business Rate Relief or Rural Rate Relief, as a consequence of the 2017 revaluation will receive relief, such that their year on year increase from 2016-17 to 2017-18 will not be more than £600, in real terms. Again full government funding exists for the 2017-18 year only.
- Councils were asked to create schemes to support businesses affected by the revaluation. The Council's share of a £300m national allocation, is £228,000 allocated over a 4 year period, as shown below.
 - 2017-18 £133,000
 - 2018 -19 £64,000
 - 2019-20 £27,000
 - 2020-21 £4,000

The only government specified requirement of our scheme is that we consult major preceptors on the scheme.

6 Implications

6.1 Financial

Ordinarily the cost of Business Rate Relief is borne, as follows

- Central Govt 50%
- Borough/District Councils 40%
- County council 9%
- Fire Authority 1%

However because the Council is in a growth position the direct cost amounts to 28% of the relief granted (the Council currently pays 50% of its 40% growth to the Business Rates Pool i.e 20% and retains 20% and then receives 40% of its contribution into the pool as part of the agreed redistribution methodology).

In the current financial year we expected to award discretionary rate relief of £106,000 in respect of around 71 properties. The cost to the Council of these awards, at 28% would be £30,000.

The new, time limited, reliefs will significantly increase the amount of relief awarded to local businesses but will not affect the cost to the Council, as all are fully funded by Central Government. Nothing in this revised policy increases the cost of reliefs to the Council.

6.2 Legal

The ability to grant discretionary reliefs is contained within section 47 of the Local Government Finance Act 1988, as amended. It is for individual local billing

authorities to adopt a local scheme and decide in each individual case when to grant relief under section 47.

Central government will fully reimburse local authorities for the local share of the discretionary relief which match its Pub Relief, and Support for Small Businesses Schemes (using a grant under section 31 of the Local Government Act 2003) up to 31 March 2018 only.

The Government will also fund reliefs granted under the Revaluation Support Scheme, up to the maximum limits prescribed, for 4 years beginning in 2017-18.

6.3 Human Resources

None

6.4 Section 17 (Crime Prevention)

None

6.5 Human Rights Act

None

6.6 Data Protection

None

6.7 Risk Management

The Council will be responsible for a proportion of the cost of any reliefs awarded and so the qualifying criteria, for any reliefs must be carefully defined and costed.

6.8 Equality & Diversity

The Council considers the effect of its actions on all sections of our community and has addressed all of the following Equality Strands in the production of this report, as appropriate:-

Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

6.9 Best Value

Options have been considered to establish the most suitable use of public funds to support businesses and other organisations in our district.

7 Appendices to the Report

Appendix 1 - Mandatory and Discretionary Rate Relief Policy – October 2017

Previous Consideration

Mandatory and Discretionary Rate Relief Policy – Cabinet – 20 March 2014

Background Papers

Available from the Local Taxation and Benefits Manager

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CANNOCK CHASE DISTRICT COUNCIL

**MANDATORY AND DISCRETIONARY RATE
RELIEF POLICY**

OCTOBER 2017

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CANNOCK CHASE DISTRICT COUNCIL

MANDATORY AND DISCRETIONARY RATE RELIEF POLICY

Introduction

This policy deals with the administration and authorisation of applications for mandatory and discretionary Non Domestic Rate Relief, in respect of rates payable from 1st April 2016 from:

- Charities
- Community Amateur Sports Clubs.
- Qualifying properties within Approved Rural Settlements
- Non-Profit making organisations.
- Occupiers of partly occupied premises.
- Organisations suffering severe hardship.
- Revaluation Support
- Public Houses with rateable values below £100,000
- Organisations no longer receiving Small Business Rate Relief

1 Legal Background

- 1.1 Mandatory Relief for Business Rates is governed by the Local Government Finance Act 1988 - Sections 43(5) and (6) and 45(5) and 45(6).
- 1.2 Discretionary Relief is governed by Local Government Finance Act 1988 – Sections 44A & 47 and Section 69 of the Localism Act 2011.
- 1.3 Section 64 of the Local Government Act 2003 provides that from 1st April 2004 clubs registered with the Inland Revenue Sports Club Unit as Community Amateur Sports Clubs (CASCs) are entitled to the same rate relief as charities. CASCs are, therefore, entitled to mandatory rate relief of 80% and the Council has discretion to remit all or part of the remaining 20%.
- 1.4 Rural Rate Relief is governed by (Sections 43(6B) & 47(3B)) Local Government Finance Act 1988)
- 1.5 The Council has discretion, under Section 49 Local Government Finance Act 1988, to reduce or remit all or part of the rate liability of any organisation which, in the Council's opinion, is suffering from hardship.
- 1.6 Details of the funding arrangements for Business Rates and reliefs are contained in the Non Domestic Rating (Contributions) Regulations 1992, (as amended) and the Non Domestic Rating (Rates Retention) Regulations 2013.
- 1.7 For some relief types, Government has undertaken to reimburse the cost to the Council of awarding discretionary relief. Such payment to the Council would take the form of a grant payable under section 31 of the Local Government Act 2003.
- 1.8 In his Budget Statement in March 2017, the Chancellor announced that new relief types would be available in 2017-18.
 - Councils will be reimbursed for discretionary relief awarded, in line with their local schemes, to ratepayers suffering hardship as a result of

the effects of the 2017 revaluation.

- Public Houses with a rateable value below £100,000 will receive a £1,000 reduction to their bill in 2017-18.
- Ratepayers who cease to receive Small Business Rate Relief as a result of the 2017 revaluation will receive relief such that their rate liability in 2017-18 will not exceed their 2016-17 liability by more than £600 in real terms.

2 Mandatory Relief

- 2.1 To qualify for mandatory relief, the ratepayer must be; a Community Amateur Sports Club (CASC), registered with the Inland Revenue Sports Club Unit, a charity, or trustee for a charity. The hereditament in question must be wholly or mainly used for charitable purposes.

Registration under the Charities Act 1960 is conclusive evidence of charitable status and bodies which, under the 1960 Act, are excepted from registration or are exempt charities are also eligible for mandatory relief.

3 Discretionary Relief - Charitable and Non-Profit Making Organisations

- 3.1 Discretionary relief will be considered when one or more of the following applies:-

- (a) The ratepayer is a charity or trustee for a charity and the hereditament is wholly or mainly used for charitable purposes.
- (b) All or part of the hereditament is occupied for the purposes of one or more institutions or other organisations, none of which is established or conducted for profit and each of whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, sciences, literature or the fine arts.
- (c) The hereditament is wholly or mainly used 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.

- 3.2 The Council cannot grant relief from rates on property, all or part of which is occupied, other than as a trustee, by a charging or precepting authority.

4 Discretionary Relief - Other Organisations

- 4.1 The Localism Act 2011 came into effect on 1st April 2012. Section 69 of the Localism Act amended Section 47 of the Local Government Finance Act 1988 to give the Council discretion to reduce the rates on any hereditament or category of hereditament, that it considers reasonable, irrespective of whether or not the occupier(s) of the property are established for profit.

- 4.2 In determining such applications, the Council will have regard for the interests of the council taxpayers in its area, as a proportion of the cost of such reductions will be borne by the General Fund of the District Council, the County Council and the Fire and Rescue Authority.

4.3 The Council does not have discretion to grant such reductions from rates on property, all or part of which is occupied, other than as a trustee, by a charging or precepting authority.

4.4 Applications for relief in accordance with the Localism Act 2011 are outside the scope of this policy.

5 Reduction or Remission of Rates on the Grounds of Hardship

5.1 The Council has discretion, under Section 49 Local Government Finance Act 1988, to reduce or remit all or part of the rate liability of any organisation which, in the Council's opinion, is suffering from hardship.

5.2 The Council is again prevented from making such a decision in respect of property occupied by precepting or charging authorities and again must have regard to the interest of the council tax payers, in committing expenditure from its General Fund.

5.3 The following guidelines have been issued by the Government in order to assist Members in the consideration of hardship applications:-

- Although authorities may adopt rules for the consideration of hardship cases, they should not adopt a blanket policy either to give or not to give relief, each case should be considered on its own merits.
- Reductions or remission of rates on grounds of hardship should be the exception rather than the rule.
- The test of 'hardship' may not be confined strictly to financial hardship, all relevant factors affecting the ability of a business to meet its liability for rates should be taken into account.
- The interests of Council Tax payers in an area may go wider than direct financial interest. For example, where the employment prospects in the area would be worsened by a company going out of business or the amenities of an area might be reduced by, for instance, the loss of the only shop in a village.
- Where the granting of relief would have an adverse effect on the financial interests of taxpayers, the case for a reduction or remission of rates payable may still, on balance, outweigh the cost to taxpayers.

5.4 Each of these criteria will be considered by the officer determining an application for Hardship Relief.

6 Reductions in Respect of Partly Occupied Properties

6.1 Authorities have discretion, under Section 44A of the Local Government Finance Act 1988, to reduce the rates on a property which is partly occupied for a short time only. The effect of a reduction under Section 44A would be to reduce the rates on the hereditament to the same level as would be payable if the unoccupied part formed a separate hereditament.

6.2 A certificate is required from the Valuation Office Agency, in these circumstances,

to confirm the rateable value of the unoccupied part. Once the Valuation Office Agency has issued a certificate, relief must be awarded in accordance with it.

- 6.3 Every application will be considered on its own merits, but the Council will have particular regard to the effect on its General Fund, and the interests of local Council Tax payers, when considering applications from businesses and other organisations.
- 6.4 In considering applications for Section 44A relief, the Council will consider the cost of the relief to its council taxpayers against any advantages to the local community of the business that has made the application, and in particular the consequences of the outcome of the short term part occupation.
- 6.5 The Council will reasonably expect that any organisation which chooses to occupy a part of a property will consider the business case for doing so, including rate liability, prior to embarking on the part occupation. The Council will, upon request, engage with businesses prior to a decision to part-occupy, as to the likelihood of Section 44A relief being made available, where this will help the business to consider its business case.
- 6.6 The Council will not award Section 44A relief in respect of part occupations caused by routine or pre-planned repairs or maintenance of the property or equipment within the property.
- 6.7 The Council will not award Section 44A relief retrospectively, after the period of part occupation has ended.
- 6.8 The Council will expect to be given the opportunity to visit a part occupied property, to verify the part occupation, and may decline relief applications if no opportunity to visit is offered.
- 6.9 Other factors to be considered include, but are not limited to:
- The reasons for the part occupation.
 - The expected duration of any part occupation, and any evidence available to support that expectation.
 - Previous awards of such relief to the same organisation.
 - The reasonableness of the ratepayer requesting an alteration of the rating assessment from the Valuation Office Agency.

7 Public House Relief

- 7.1 The relief will have effect for the 2017-18 financial year only.
- 7.2 Under this scheme, eligible pubs will receive a £1,000 discount on their bill. Where the amount payable is less than £1,000, the relief will be limited to the amount of the bill.
- 7.3 Relief will be available to eligible occupied properties with a rateable value of less than £100,000. Where pubs are part of a chain, relief will be available for each eligible property in the chain, subject to meeting State Aid requirements.

- 7.4 For the purpose of this relief, the Council's policy intention is that eligible pubs should:
- be open to the general public
 - allow free entry other than when occasional entertainment is provided
 - allow drinking without requiring food to be consumed
 - permit drinks to be purchased at a bar.

7.5 For this purpose, it is intended to exclude; restaurants, cafes, nightclubs, hotels, snack bars, guesthouses, boarding houses, sporting venues, music venues, festival sites, theatres, museums, exhibition halls, cinemas, concert halls and casinos. This list is not intended to be exhaustive.

8 Supporting Small Businesses

8.1 The relief will have effect for five years from the 2017-18 financial year.

8.2 Supporting Small Businesses relief will help those ratepayers who as a result of the change in their rateable value at the revaluation are losing some or all of their small business or rural rate relief and, as a result, are facing large increases in their bills.

8.3 Supporting Small Businesses relief will be paid such that the increase per year in the bills of affected ratepayers is limited to the greater of:

- a percentage annual increase of 5%, 7.5%, 10%, 15% and 15% from 2017-18 to 2021-22 all plus inflation. Unlike the transitional relief scheme, for the first year of the scheme the percentage increase is taken against the bill for 31 March 2017 after small business rate relief or rural rate relief , or
- a cash value of £600 per year (£50 per month). This cash minimum increase ensures that those ratepayers paying nothing or very small amounts in 2016-17 after small business rate relief are brought into paying something.

In the first year of the scheme, this means all ratepayers losing some or all of their small business rate relief or rural rate relief will see the increase in their bill capped at £600. The cash minimum increase is £600 per year thereafter.

8.4 Those on the Supporting Small Businesses relief scheme whose 2017 rateable values are £51,000 or more will not be liable to pay the supplement (1.3p in 2017/18) to fund small business rate relief while they are eligible for the Supporting Small Businesses relief scheme.

8.5 Ratepayers can remain in the Supporting Small Businesses relief scheme for either 5 years or until they reach the bill they would have paid without the scheme. A change of ratepayers will not affect eligibility for the Supporting Small Businesses relief scheme but eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.

8.6 There is no 2nd property test for eligibility for the Supporting Small Businesses relief scheme. However, those ratepayers who during 2016-17 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month period of grace before

their relief ended can continue on the scheme for the remainder of their 12 month period of grace.

8.7 In the event of a change in a property’s rateable value, eligibility for Supporting Small Businesses relief will be recalculated and ended if the ratepayer no longer satisfies the qualifying criteria.

8.8 Awards of Supporting Small Businesses relief will be made for no more than one year at a time and will be reviewed each year at the time of the annual billing. Entitlement will therefore end on the earliest of:

- the end of the financial year for which the award was made,
- the date that the ratepayer ceases to satisfy the qualifying criteria, or
- the date that the property becomes unoccupied or occupied by a charity or Community Amateur Sports Club.

9 Revaluation Support Scheme

9.1 In line with the budget announcement in Spring 2017 and subsequent funding arrangements, the Council has adopted a relief scheme primarily to support those local businesses most severely affected by the revaluation of all rateable values which took effect from 1 April 2017.

9.2 The basis of the relief will be primarily to restrict the amount by which affected rate liabilities will increase, compare to the 2016-17 liability.

9.3 A part of the funding will be retained in order that additional payments of relief can be made in exceptional circumstances. This includes, but is not restricted to, a ratepayer experiencing hardship attributable to the revaluation.

9.4 The basis of the Revaluation Support Scheme is:

- Relief in 2017-18 will be based on a comparison of 2016-17 and 2017-18 rates payable. For the purpose of this comparison the amounts payable will be the amounts due for the days 31 March and 1 April 2017, net of any reliefs payable, multiplied by 365 to give annual amounts payable.
- Relief in 2018-19 will be based on a comparison of 2016-17 and 2018-19 rates payable. For the purpose of this comparison the amounts payable will be the amounts due for the days 31 March 2017 and 1 April 2018, net of any reliefs payable, multiplied by 365 to give annual amounts payable.
- Relief in 2019-20 will be based on a comparison of 2016-17 and 2019-20 rates payable. For the purpose of this comparison the amounts payable will be the amount due for the 31 March 2017 multiplied by 365 and 1 April 2019 multiplied by 366, each net of any reliefs payable, to give annual amounts payable.
- Relief will be awarded so as to ‘cap’ the amount by which a bill can rise compared to the 2016-17 amount payable. The cap will be as follows;

Year	Cap On amount Payable
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2017-18	2016-17 liability plus 6%
2018-19	2016-17 liability plus 22%
2019-20	2016-17 liability plus 52%
2010-21	No cap will apply. Individual applications will be considered in exceptional circumstances only.
The levels of relief will be reviewed annually to ensure that the support scheme is being operated in the most effective way.	

- There will be an upper limit on amount of relief given to any single organisation of £10,000 per year.
- The Council may increase awards in exceptional circumstances, including but not limited to hardship being suffered by the ratepayer.
- The Council may reduce or refuse awards in exceptional circumstances, including but not restricted to applications made after the period to which they relate, or where other funding is reasonably available to the applicant.

9.5 No relief will be given where:

- The property is unoccupied
- The increase is not attributable to the 2017 revaluation.
- The rateable value of the property, in the 2017 Rating List exceeds £200,000
- The ratepayer is responsible for properties, in England, with total rateable values which exceed £200,000.
- The property becomes the responsibility of a person or organisation other than the person or organisation that was responsible on 31 March 2017. (The Council expects that new occupiers will have budgeted for the rates that are payable in deciding to take responsibility for the unit)
- The property is a Charity Shop, Betting Shop, Off licence, e-cigarette/vaping shop, pawnbroker, short-term high interest loan company or similar. Final discretion on acceptability lies with the Council.
- The ratepayer or occupier is a local authority, government agency or an organisation providing service directly to local or central government

9.6 The scheme will be administered in the following way:

- For awards of £1,000 or more individual applications will be required and 'state aid declarations' given.
- Officers may grant relief without a formal application where the relief amount will be less than £1,000
- Applications for relief will be determined by the Local Taxation and Benefits Manager or the Revenues Manager. Should an applicant be dissatisfied with

the determination of an application for discretionary relief, the matter will be reviewed by the Head of Finance

- Award notices will be issued each year and will notify the ratepayer of the amount of relief payable for that financial year.
- Ratepayers will be required to notify the council if they cease to satisfy the qualifying criteria.
- Relief will end on the earliest of; the end of the financial year, the date the property becomes unoccupied or the date that the ratepayer ceases to satisfy the qualifying criteria.

10 Other Reliefs

10.1 From time to time Government may introduce new relief types, for hereditaments satisfying certain criteria, for which it is prepared to meet the cost of the relief in full. Where this is the case and no financial cost exists to the council tax payers, relief may be granted by the Head of Finance or the Local Taxation and Benefits Manager, in consultation with the Cabinet Member with responsibility for non-domestic rates.

11 State Aid

- 11.1 Retail Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)¹.
- 11.2 The De Minimis Regulations allow an undertaking to receive up to €200,000 (around £147,000) of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years).
- 11.3 To administer De Minimis Regulations officers will establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid.

12 Funding of Mandatory and Discretionary Business Rate Relief

12.1 The Non Domestic Rating (Rates Retention) Regulations 2013 provide that Business Rates will be shared in accordance with the following parameters:

- Central Government 50%
- District Council 40%
- County Council 9%
- Fire and Rescue Authority 1%.

12.2 However because the Council is in a growth position the direct cost amounts to 28% of the relief granted (the Council currently pays 50% of its 40% growth to the Business Rates Pool i.e 20% and retains 20% and then receives 40% of its contribution into the pool as part of the agreed redistribution methodology).

12.3 As stated above, Government has undertaken to reimburse the cost to the Council of awarding some discretionary reliefs. Such payment to the Council would take the form of a grant payable under section 31 of the Local Government Act 2003

13 Criteria for Assessing Eligibility for Discretionary Business Rate Relief

The following information will summarise the above criteria that the Council has agreed to apply in assessing applications for Discretionary Relief.

13.1 Access

13.1.1 Is membership open to all sections of the community? There may be legitimate restrictions placed on membership which relate for example to ability in a sport or to the achievement of a standard in the field covered by the organisation or where the capacity of the facility is limited. Clubs or organisations should not be considered if they have membership rates set at such a high level as to exclude the general community. In general, the club or organisation must be prepared to show that the criteria by which it considers applications for membership are consistent with the principle of open access.

13.1.2 Does the organisation actively encourage membership from particular age groups in the community, e.g. young people, women, old age groups, persons with disability, ethnic minorities, etc? An organisation which encouraged such membership might expect more sympathetic consideration than one which made no effort to attract members from groups which the Council considered to be particularly deserving of support.

13.1.3 Are the facilities made available to people other than members, e.g. schools, casual public sessions, etc? The wider use of facilities should be encouraged and rate relief might be one form of recognition that an organisation was promoting its facilities more widely.

13.2 Provision of Facilities

13.2.1 Does the organisation provide training or education for its members? Are there schemes for particular groups to develop their skills, e.g. young people, the disabled, retired people? An organisation providing such facilities might deserve more support than one which did not.

13.2.2 Have the facilities available been provided by self-help or grant aid? The fact that a club uses or has used self-help for construction or maintenance or had facilities funded by grant aid might be an indicator that they were more deserving of relief.

13.2.3 Does the organisation run a bar? The mere existence of a bar should not in itself be a reason for not granting relief. The Council should look at the main purpose of the organisation. In sports clubs for example, the balance between playing and non-playing members might provide a useful guide as to whether the main purpose of the club is sporting or social activities. A social club whose main aim is to bring together people with similar interests should not be excluded from relief just because of the existence of a licensed bar.

13.2.4 Does the organisation provide facilities which indirectly relieve the Council of the

need to do so, or enhance and supplement those which it does provide? The Council will not refuse relief on the grounds that an organisation is in competition with the Council itself, but will look at the broader context of the needs of the community as a whole. A new need, not being provided by the Council itself but identified as a priority for action, might be particularly deserving of support.

13.3 Other Considerations

13.3.1 Is the organisation affiliated to local or national organisations, e.g. local sports or arts councils, national representative bodies? i.e. are they actively involved in local/national development of their interests?

13.3.2 Is the membership drawn from people mainly resident in the charging authority's area? The Council will have regard to the client groups who will ultimately benefit from the service provided by the charitable organisation. As a proportion of the cost of any relief given will be borne by our Council Taxpayers relief may be reduced or declined if it is felt that the beneficiaries are predominantly residents of other areas. (For example, in cases, where hereditaments are situated close to the Council's boundary, a proportion of the membership may come from another charging authority area, and it may therefore be deemed appropriate to reduce the rate of discretionary relief).

13.3.4 The Council will have regard to the financial circumstances of organisations claiming discretionary relief. Relief may be declined if, in the Council's opinion, the organisation has access to alternative funding options.

13.3.5 The Council will have regard for the cost of any discretionary relief to its Council Tax payers. To that end discretionary relief in excess of £10,000 per year will only be awarded in exceptional circumstances, where the organisation concerned can demonstrate support for the Council's priorities and objectives.

13.3.6 The Council will consider additional criteria as appropriate to the furthering of the Council's policies and the needs of the community.

14 Discretionary Business Rate Relief – Précis of Criteria

This section will précis the criteria adopted by the Council as a framework to be used in determining eligibility for discretionary rate relief under Section 47 of the Local Government Finance Act 1988. Not all the criteria listed will be applicable in every case.

14.1 Basic Conditions

The following conditions should apply as regards the application:-

- The ratepayer is a charity or trustees for a charity, and the hereditament (property) is wholly or mainly used for charitable purposes, and
- the hereditament is not an excepted hereditament, and
- all or part of it is occupied for the purposes of one or more organisations none of which is established or conducted for profit and each of whose

main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts.

OR

- The property satisfies the qualifying conditions for Rural Rate Relief.

14.2 Access to Organisation

- Is membership open to all sections of the community?
- Are there legitimate restrictions on membership, e.g. ability, facility limits?
- Are membership fees unduly high and restrictive?
- Are membership criteria consistent with the principle of open access?
- Does the organisation actively encourage membership from particular groups in the community, e.g. disabled, O.A.P.s?
- Are facilities available to non-members, e.g. schools, general public?

14.3 Provision of Facilities

- Does the organisation provide training or education for its members?
- Are there training schemes for specific groups, e.g. disabled, young people?
- Have facilities been provided by self help or grant aid?
- Does the organisation run a bar? This in itself is not a reason for not granting relief.
- What is the main purpose of the organisation, e.g. playing or social?
- What is the balance between the playing and social membership?
- Does organisation provide facilities that indirectly relieve the Council of providing the facility or supplement Council facilities?

14.4 Other Considerations

- Is the organisation affiliated to local or national organisations?
- Is the membership drawn from people mainly resident in the Council's area?
- In the case of a Charity Shop, which sells both donated goods and new goods, what is the balance between qualifying and non-qualifying

purposes?

- What is the financial position of the organisations claiming discretionary relief? How much reserves do they hold and does, the organisation have access to alternative funding options?
- What is the cost to local Council Tax payers of the relief? Is this cost justified by the service provided by the organisation?

15 Administration of Mandatory & Discretionary Rate Relief Policy

- 15.1 Applications for relief in accordance with this policy will be determined by the Local Taxation and Benefits Manager or the Revenues Manager.
- 15.2 Should an applicant be dissatisfied with the determination of an application for discretionary relief, the matter will be reviewed by the Head of Finance.
- 15.3 Applications must be made in writing and must be supported by the appropriate evidence to confirm the status of the organisation. The officer considering the application will be responsible for the appropriate verification of applications.
- 15.3 The Council will review all charitable reliefs on an annual basis.
- 15.4 Awards of charitable relief (Mandatory and Discretionary) will ordinarily remain in payment provided the organisation continues to satisfy the qualifying criteria, but may be ended if:
- The organisation fails to provide information reasonably requested by the Council.
 - The Council's qualifying criteria are altered and the appropriate notice of change is given to the organisation.
- 15.5 Organisations receiving rate relief must inform the Council if their circumstances change from those that existed when the application was made.
- 15.6 The Council will end relief entitlement from the date that the organisation's circumstances change, such that they ceased to satisfy the qualifying criteria..
- 15.7 Awards of relief, under Section 44A, for partly occupied properties, and remission of rates under Section 49 (hardship) will be made in respect of a specific period of rate liability.
- 15.8 Subject to there being no additional policy changes or cost implications arising from Government prescribed and funded 'Discretionary Relief', the Head of Finance in Consultation with the Cabinet Member with responsibility for Business Rates, is authorised to amend this policy and put in place arrangements to award discretionary rate relief as soon as practically possible.
- 15.9 The Council will from time to time maintain additional policies to govern the manner in which it uses its discretionary powers given by the Localism Act 2011. Such policies will be particularly concerned with business growth activities and actions aimed at bringing empty properties into use.

16 Right of Appeal

The amount of any award is at the discretion of the Council and the local authority may only grant relief if it would be reasonable to do so having regard to the interests of council tax payers in its area.

No formal right of appeal therefore exists, however an applicant may put in writing a request for the decision to be reviewed.

Any request for such a review must be in writing, detailing the reasons why the decision should be reviewed, and must be received within one calendar month of the above notification.

The reviewing officer will review all the evidence held and will make a decision within 14 days of referral or as soon as practicable thereafter.

ANNEX A

Framework of Business Rate Relief Awards

The following table summarises the levels of Business Rate Relief awarded to various categories of hereditament. Regard will be paid to these relief levels, when considering any new applications.

The rates of relief may be varied, in appropriate circumstances.

No single organisation will receive Discretionary relief in excess of £3,000 in any financial year.

The Council reserves the right to decline relief applications, where it appears that sufficient alternative means of funding exist.

Type of Organisation	Mandatory Relief	Top Up Relief	Discretionary Relief	Percentage Relief
Educational Establishments	80%	0%	0%	80%
Housing Associations (Charity)	80%	0%	0%	80%
Offices of Registered Charities	80%	5%	0%	85%
Day Care Centre	80%	5%	0%	85%
Advice, Support and Training Centres	80%	5%	0%	85%
Cannock Chase Community Care Committee (5C's Training)	80%	5%	0%	85%
Community Groups and Centres	80%	5%	0%	85%
Charity Shops whose sales of donated goods are 50% or more	80%	5%	0%	85%
Charity Shops whose sales of donated goods are less than 50%.	80%	0%	0%	80%
Storage	80%	5%	0%	85%
Scouts and Guides	80%	5%	0%	85%
Playing Fields	80%	5%	0%	85%
Working Men's Clubs	0%	0%	10%	10%
Other Social Clubs	0%	0%	10%	10%
Sports Clubs (without bars)	0%	0%	50%	50%
Sports Clubs (with bars)	0%	0%	10%	10%
Community Amateur Sports Clubs (CASCs)	80%	5%	0%	85%