



POLICY AND RESOURCES SCRUTINY COMMITTEE – 10TH NOVEMBER 2015

SUBJECT: REVIEW OF CHARITABLE RATE RELIEF AWARDS

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151
OFFICER**

1. PURPOSE OF REPORT

- 1.1 This report sets out details of a review carried out in respect of those ratepayers receiving charitable (mandatory and/or discretionary) rate relief that has been undertaken by the Interim Head of Corporate Finance under delegated powers.

2. SUMMARY

- 2.1 The Council is able to assist a wide range of voluntary and sporting organisations by granting rate relief. This report contains details of a review carried out in respect of those ratepayers receiving charitable (mandatory and/or discretionary) rate relief and notes the outcome of the review.

3. LINKS TO STRATEGY

- 3.1 The granting of rate relief is a very cost effective way in which the Council can pursue its Regeneration objective by giving financial assistance to local organisations.

4. THE REPORT

4.1 Background

- 4.1.1 Under the Council's Scheme of Delegation applications for charitable (mandatory and/or discretionary) rate relief submitted to the Council are determined by the Council's Head of Corporate Finance.
- 4.1.2 The determination of mandatory and/or discretionary rate relief is exercised following consideration of the relevant rating regulations relief supplemented by guidance from Welsh Government and Central Government. In respect of discretionary rate relief, consideration is also given to the Council's Policy on discretionary rate relief.
- 4.1.3 Periodically ratepayers currently receiving discretionary rate relief have their applications reviewed in order that the Head of Corporate Finance can be satisfied that the rate relief should continue.

4.2 The Review

- 4.2.1 The review commenced in the financial year 2012/13 and was concluded in January 2015. Unfortunately, it did take longer than expected to obtain the necessary documentation to verify continuing entitlement to relief in respect of a number of relief cases.
- 4.2.2 Members should be aware that the Welsh Government Pool bears the full cost of any mandatory charitable rate relief awarded. Currently, the Authority bears 10% of any non-profit making discretionary rate relief awarded, with the Welsh Government Pool bearing the remaining 90%. In respect of top-up discretionary rate relief, the Authority bears 75% of relief awarded, with the Welsh Government Pool bearing the remaining 25%
- 4.2.3 The review involved issuing an explanatory letter to ratepayers receiving charitable rate relief and enclosing a review application form which needed to be completed and returned with supporting evidence to enable the relief to continue.
- 4.2.4 Once the review documentation had been received, reasonable steps were taken to verify the details and determine whether or not the ratepayers remained entitlement to receive the relief.
- 4.2.5 It should be noted that there are currently 280 cases receiving charitable (mandatory and /or discretionary) rate relief. As a result of the review, 4 organisations have been notified in writing that the relief was being withdrawn as they have failed to respond to the review; it remains open to these organisations to make a new application for rate relief at any time.
- 4.2.6 As at 31st August 2015, the Authority had awarded the following levels of rate relief during 2015/16:

Relief Type	Welsh Government Pool Contribution		CCBC Contribution		Total Relief Awarded
Mandatory Charitable Relief	100%	£1,241k	Nil	£Nil	£1,241k
Non-Profit Making Discretionary Relief	90%	£301k	10%	£33k	£334k
Top-Up Discretionary Relief	25%	£68k	75%	£206k	£274k
			Total CCBC Cost	£239k	

5. EQUALITIES IMPLICATIONS

- 5.1 This report is for Members' information so the Council's full Equalities Impact Assessment process does not need to be applied.

6. FINANCIAL IMPLICATIONS

- 6.1 These are contained within the report.

7. PERSONNEL IMPLICATIONS

- 7.1 There are no personnel implications.

8. CONSULTATIONS

8.1 There are no consultation responses which have not been reflected in this report.

9. RECOMMENDATIONS

9.1 Members note the details of a review carried out in respect of those ratepayers receiving charitable (mandatory and/or discretionary) rate relief and the outcome of the review.

10. REASONS FOR THE RECOMMENDATIONS

10.1 As set out throughout the report.

11. STATUTORY POWER

11.1 Sections 43 and 47 of the Local Government Finance Act 1988.

Author: J. Carpenter, Council Tax & NNDR Manager

Tel: 01443 863421 E-mail: carpewj@caerphilly.gov.uk

Consultees: Cllr B Jones, Deputy Leader & Cabinet Member for Corporate Services
Nicole Scammell, Acting Director of Corporate Services & Section 151 Officer
Stephen Harris, Interim Head of Corporate Finance

Background Papers:

Rate Relief Application Review Forms, contact ext 3421