



## POLICY AND RESOURCES SCRUTINY COMMITTEE – 10TH NOVEMBER 2015

**SUBJECT: DISCRETIONARY RATE RELIEF APPLICATIONS**

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

---

### 1. PURPOSE OF REPORT

- 1.1 This report sets out details of applications for discretionary rate relief and notes the decision proposed 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 applications received for discretionary rate relief and the proposals for the determination of the applications to be formally implemented on the 17<sup>th</sup> day of November 2015.

### 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 discretionary rate relief submitted to the Council are determined by the Council's Head of Corporate Finance.
- 4.1.2 The determination is exercised following consideration of the Council's Policy on discretionary rate relief supplemented by guidance from Welsh Government and Central Government.

#### 4.2 The Applications

##### Sense – The National Deafblind and Rubella Association

- 4.2.1 An application for top-up discretionary rate relief has been received from the above charity in respect of their premises at Unit 3 Bevan House, Caerphilly Business Park, Caerphilly from 20<sup>th</sup> August 2015 onwards.
- 4.2.2 The organisation is a registered charity and has therefore already been awarded 80% mandatory rate relief in accordance with rating legislation.

- 4.2.3 Members should be aware that currently the Authority would bear 75% of any top-up discretionary rate relief awarded, with the Welsh Government Pool bearing the remaining 25%.
- 4.2.4 To be eligible for discretionary rate relief, the organisation must satisfy the following conditions:
- a) the organisation or institution occupying the premises must not be established or conducted for profit;
  - b) each of the organisation's main objects must be charitable, or otherwise philanthropic or religious, or concerned with education, social welfare, science, literature, or fine arts;
  - c) the use of the premises must be wholly or mainly charitable, or the premises must be wholly or mainly used for recreational purposes;
  - d) where the premises is wholly or mainly used for recreational purposes, all or part of it must be occupied by an organisation not established or conducted for profit.
- 4.2.5 The charity's objects are:
- To support and promote the interests of persons who are deafblind or who have a hearing or vision impairment, including those with additional impairments or persons who are suffering from the congenital effects of rubella.
- 4.2.6 The organisation's articles state that the property and funds of the charity must be used only for the promotion of the charity's objects.
- 4.2.7 The articles also state that, on the dissolution of the charity, any assets remaining would be used firstly to meet any liabilities and then directly for the organisation's objects and by transfer to any other charity for the same or similar purposes. This satisfies the discretionary rate relief requirement for remaining assets to be used for charitable or non-profit making purposes.
- 4.2.8 Sense has confirmed that the new services operating in Caerphilly provide support to people in the local area who have a severe loss of both their sight and hearing i.e. they are classed as being deafblind. This service ranges from 2 hours to 30+ hours per week. Facilities within the building include a sensory room and fully adapted kitchen which is aimed at enabling the deafblind person to remain as independent as possible in their own accommodation. The development of these services arose from a survey of the availability of accessible and appropriate facilities for people with profound needs in and around the Caerphilly area which revealed an absence of sufficient such services.
- 4.2.9 The charity has contracts with this Authority for this and other support packages, as well as supporting people in neighbouring local authority areas.
- 4.2.10 There is no membership requirement as the organisation will provide a service to whoever wishes to access the facilities.
- 4.2.11 The charity has been set up specifically to carry out the objects given in point 4.2.5 above and is not established or conducted for profit. In addition, the organisation's main objects are either wholly or mainly charitable, or concerned with religion, philanthropy, social welfare and education, as required under the regulations. It is also clear that the use of the premises is wholly or mainly charitable.
- 4.2.12 The business rate liability of the organisation's premises in Caerphilly from 20<sup>th</sup> August 2015 to 31<sup>st</sup> March 2016 is £21,483. If the Authority were to grant 20% top-up discretionary rate

relief, the cost to the Authority of awarding the relief at current levels would be £3,222 with the Welsh Government pool bearing the remainder of £1,074.

4.2.13 The Authority's policy for an organisation registered as a charity with the Charity Commission and occupying one or more rating assessments within the Authority's area with a cumulative rateable value not exceeding £100,000 is to award 20% top-up discretionary relief.

4.2.14 Taking the above matters into consideration, it appears that 'Sense' and its use of the premises with a £72,500 rateable value satisfies all of the relevant qualifying criteria.

4.2.15 **Proposal (to be implemented on 17<sup>th</sup> day of November 2015):**

**20% top-up discretionary rate relief be awarded.**

Glofa Navigation Cyf

4.2.16 An application for discretionary rate relief has been received from the above charity in respect of their porta cabin at Navigation Colliery, Navigation Industrial Estate, Crumlin from 12<sup>th</sup> January 2015 onwards.

4.2.17 The organisation is a registered charity and has therefore already been awarded 80% mandatory rate relief in accordance with rating legislation.

4.2.18 Members should be aware that currently the Authority would bear 75% of any top-up discretionary rate relief awarded, with the Welsh Government Pool bearing the remaining 25%.

4.2.19 To be eligible for discretionary rate relief, the organisation must satisfy the following conditions:

- a) the organisation or institution occupying the premises must not be established or conducted for profit;
- b) each of the organisation's main objects must be charitable, or otherwise philanthropic or religious, or concerned with education, social welfare, science, literature, or fine arts;
- c) the use of the premises must be wholly or mainly charitable, or the premises must be wholly or mainly used for recreational purposes;
- d) where the premises is wholly or mainly used for recreational purposes, all or part of it must be occupied by an organisation not established or conducted for profit.

4.2.20 The objects of the charity are:

- To work with other constituted groups to preserve the Welsh Historic Industrial Architecture of the Navigation Colliery, Crumlin and its grounds, and to bring the colliery buildings back to a sustainable standard for the benefit of all;
- To provide an educational resource while linking historic routes through the valley;
- To create a regeneration programme on this grade 2 and grade 2\* listed site, thus helping to create apprentice and skilled jobs in the Crumlin area;
- To enhance the quality of life in the area and bring added value to the valley.

4.2.21 The organisation's constitution states that the income and property of the charity must be used only for the promotion of the charity's objects.

4.2.22 The colliery in Crumlin was built between 1907 and 1911 at a time when South Wales was the world's largest coal exporter; it still has 11 separately listed buildings as well as other listed

surrounding structures – the winding houses, fan house, chimney and power-house are all grade 2\* listed. The charity has 15 dedicated community volunteers who are working hard, along with the Prince's Regeneration Trust, to prevent further deterioration, maintain the site and safeguard the future of the buildings.

4.2.23 There is no fee payable for membership which is open to any individual; currently all members reside within the Caerphilly County Borough.

4.2.24 The charity has been set up specifically to carry out the objects set out in point 4.2.20 above and is not established or conducted for profit. In addition, the organisation's main objects are either wholly or mainly charitable, or concerned with religion, philanthropy, social welfare and education, as required under the regulations. It is also clear that the use of the premises is wholly or mainly charitable.

4.2.25 The business rate liability of the organisation's premises in Crumlin from 12<sup>th</sup> January 2015 to 31<sup>st</sup> March 2016 is £310. If the Authority were to grant 20% top-up discretionary rate relief, the cost to the Authority of awarding the relief at current levels would be £46 with the Welsh Government pool bearing the remainder of £16.

4.2.26 The Authority's policy for an organisation registered as a charity with the Charity Commission and occupying one or more rating assessments within the Authority's area with a cumulative rateable value not exceeding £100,000 is to award 20% top-up discretionary relief.

4.2.27 Taking the above matters into consideration, it appears that the organisation known as 'Glofa Navigation Cyf' and its use of the premises with a £530 rateable value satisfies all of the relevant qualifying criteria.

4.2.28 **Proposal (to be implemented on 17<sup>th</sup> day of November 2015):**

**20% top-up discretionary rate relief be awarded.**

Cardiff Consortium (Charities) trading as Pre-Loved Furniture

4.2.29 An application for top-up discretionary rate relief has been received from the above charity in respect of their premises at 113 High Street, Blackwood from 28<sup>th</sup> July 2015 onwards.

4.2.30 The organisation is a registered charity and has therefore already been awarded 80% mandatory rate relief in accordance with rating legislation.

4.2.31 Members should be aware that currently the Authority would bear 75% of any top-up discretionary rate relief awarded, with the Welsh Government Pool bearing the remaining 25%.

4.2.32 To be eligible for discretionary rate relief, the organisation must satisfy the following conditions:

- a) the organisation or institution occupying the premises must not be established or conducted for profit;
- b) each of the organisation's main objects must be charitable, or otherwise philanthropic or religious, or concerned with education, social welfare, science, literature, or fine arts;
- c) the use of the premises must be wholly or mainly charitable, or the premises must be wholly or mainly used for recreational purposes;
- d) where the premises is wholly or mainly used for recreational purposes, all or part of it must be occupied by an organisation not established or conducted for profit.

4.2.33 The objects of the charity are:

- The prevention or relief of poverty in Cardiff and surrounding area by providing furniture and household items, and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty.

4.2.34 The organisation's articles state that the property and funds of the charity must be used only for the promotion of the charity's objects.

4.2.35 The articles also state that, on the dissolution of the charity, any assets remaining would be used firstly to meet any liabilities and then directly for the organisation's objects and by transfer to any other charity for the same or similar purposes. This satisfies the discretionary rate relief requirement for remaining assets to be used for charitable or non-profit making purposes.

4.2.36 Cardiff Consortium (Charities) has confirmed that it serves the local community at its premises in Blackwood by offering work experience placements in the shop, by offering good quality furniture for a low cost; the shop also includes a mini café. In providing this service the charity has been able to reduce the amount of waste which goes to landfill it is also able to offer volunteering opportunities to those who have struggled to gain employment, enabling the volunteers to gain new and practical skills.

4.2.37 The charity states that it has links with Jobcentre Plus in Blackwood, GAVO, Working Links, and Groundworks in providing work experience placements for local unemployed people.

4.2.38 There are currently 28 members and there is no fee payable for membership.

4.2.39 The charity has been set up by volunteers specifically to carry out the objects given in point 4.2.33 above and is not established or conducted for profit. In addition, the organisation's main objects are either wholly or mainly charitable, or concerned with religion, philanthropy, social welfare and education, as required under the regulations. It is also clear that the use of the premises is wholly or mainly charitable.

4.2.40 The business rate liability of the organisation's premises in Blackwood from 28<sup>th</sup> July 2015 to 31<sup>st</sup> March 2016 is £6,287. If the Authority were to grant 20% top-up discretionary rate relief, the cost to the Authority of awarding the relief at current levels would be £943 with the Welsh Government pool bearing the remainder of £314.

4.2.41 The Authority's policy for an organisation registered as a charity with the Charity Commission and occupying one or more rating assessments within the Authority's area with a cumulative rateable value not exceeding £100,000 is to award 20% top-up discretionary relief.

4.2.42 Taking the above matters into consideration, it appears that the Cardiff Consortium (Charities) and its use of the premises with a rateable value of £19,250 satisfies all of the relevant qualifying criteria.

4.2.43 **Proposal (to be implemented on 17<sup>th</sup> day of November 2015):**

**20% top-up discretionary rate relief be awarded.**

## **5. EQUALITIES IMPLICATIONS**

5.1 This report is to advise Members of the proposed determination of the application(s) for discretionary rate relief 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 proposed determination of the application(s) for discretionary rate relief under delegated powers which will be implemented on the 17<sup>th</sup> day of November 2015.

## **10. REASONS FOR THE RECOMMENDATIONS**

10.1 As set out throughout the report.

## **11. STATUTORY POWER**

11.1 Section 47 of the Local Government Finance Act 1988.

Author: John Carpenter, Council Tax & NNDR Manager

Tel: 01443 863421 E-mail: [carpewj@caerphilly.gov.uk](mailto: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 Forms, contact ext 3421