



POLICY AND RESOURCES SCRUTINY COMMITTEE – INFORMATION ITEM

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 after the third working day the delegated decision notice has been posted.

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 guidelines on discretionary rate relief supplemented by guidance from Welsh Government and Central Government.

4.2 The Application

Caerphilly Miners' Centre for the Community

4.2.1 An application for top-up discretionary rate relief has been received from the above registered charity in respect of their premises at The Miners, 1 Beech Tree View, Caerphilly from 19th September 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 main objects of Caerphilly Miners' Centre for the Community are:
- To further or benefit the residents of Caerphilly and the neighbourhood, without distinction of sex, sexual orientation, race or of political, religious or other opinions by bringing together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare, for recreation and leisure time occupation, with the objective of improving the conditions of life for the residents;
 - To advance the education of the public in the history and heritage of Caerphilly, in particular, the history of mining and its role in the community and its effect on people's lives.
- 4.2.6 The organisation's Memorandum and Articles of Association 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 further 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 Caerphilly Miners' Centre for the Community comprises a group of local residents that have come together with a common aim of restoring the former Caerphilly Miners' Hospital for the benefit of the local community. The centre delivers services to support well-being; it provides social/leisure facilities together with opportunities for learning, training and volunteering whilst at the same time celebrating the community's heritage. The charity aims to build a sustainable social enterprise by following the ethos of the Rhymney Valley miners – to improve the health of the community through self-help, mutuality, collaboration and enterprise.
- 4.2.9 The project has been made possible with generous funding and sponsorship from Caerphilly CBC, Welsh Government and the BIG Lottery among others. The charity is working with over 20 partners from statutory, voluntary and business sectors and the local community. This helps to deliver services more sustainably and achieve better community buy-in.
- 4.2.10 Membership is open to anyone and there are currently 185 adult members and 1 junior member under 16 years old. Membership is charged at £8 per year, with a separate charge for most activities ranging between £2 and £5 per session.

- 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 current annual business rate liability of the organisation's premises in Caerphilly is £2,818.80 and 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 £423 with the Welsh Government pool bearing the remainder of £141.
- 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 Caerphilly Miners Centre for the Community and its use of the premises with a rateable value of £5,800 satisfies all of the relevant qualifying criteria.
- 4.2.15 **Proposal (to be implemented after the third working day the delegated decision has been posted):**
- 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 after the third working day the delegated decision notice has been posted.

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.

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Background Papers:

'Review of NNDR Discretionary Rate Relief Policy' report to Policy and Resources Scrutiny Committee on 20th January 2015

Rate Relief Application Forms, contact ext 3421