



POLICY AND RESOURCES SCRUTINY COMMITTEE – FOR INFORMATION

SUBJECT: DISCRETIONARY RATE RELIEF APPLICATION

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE
SERVICES**

1. PURPOSE OF REPORT

- 1.1 This report sets out details of an application for discretionary rate relief and notes the decision proposed by the Head of Corporate Finance and Section 151 Officer 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 an application received for discretionary rate relief and the proposals for the determination of the application 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 and Section 151 Officer.
- 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

Pop 'N' Grow

- 4.2.1 An application for top-up discretionary rate relief has been received from the above registered charity in respect of their charity shop at Suite 4 St Margaret's Park, Pengam Road, Aberbargoed, from the 1st April 2017 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 Pop 'N' Grow are:
- A not-for-profit organisation based on the Isle of Wight, whose goal is to give every Neonatal Intensive Care Unit (NICU)/Special Care Baby Unit (SCBU) nationwide a stock of their own unique baby-grows completely free of charge.
 - To aid nursing and care of babies in NICUs/SCBUs. The baby-grows are created with poppers to the arms to allow ease of access for tubing/cannulas, whilst giving baby warmth and comfort.
 - To provide each unit with 5 premature and 5 new-born grows every 6 months, so each unit will receive 20 grows a year, unless more are requested.
 - To use regional representatives to assist in fundraising the cost of the baby-grows for their local unit.
 - To provide, on an ad hoc basis, adapted baby-grows to the general public, free of charge, on a requested basis.
- 4.2.6 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.
- 4.2.7 The Constitution further states 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 Pop 'N' Grow provide specially-designed clothing which is unique and allows NICU/SCBU babies to be dressed around the wires, tubes or lines they may need during their stay in hospital. Their concept is based on the principle that a parent can feel the emotional and physical attachment to their unique and wonderful baby with the simple action of dressing.

- 4.2.9 All their clothing is made with previous neonatal experiences in mind, along with the knowledge and co-operation of NHS staff, who regularly advise of equipment updates and changes to needs.
- 4.2.10 Pop 'N' Grow also modify clothing for children up to the age of 16 years undergoing chemo treatment, dialysis and transplants.
- 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 Aberbargoed from 1st April 2017 to 31st March 2019 is £1,164.95. 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 £174.74 with the Welsh Government pool bearing the remainder of £58.25.
- 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 Pop 'N' Grow and its use of the premises with a rateable value of £1,150 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. WELL-BEING OF FUTURE GENERATIONS

- 5.1 Effective financial management is a key element in ensuring that the Well-being Goals in the Well-being of Future Generations Act (Wales) 2015 are met. Maximising the take-up of business rate relief minimises the amount of rates payable by a wide range of voluntary and sporting organisations which enables them to use those funds directly in respect of their objectives.

6. EQUALITIES IMPLICATIONS

- 6.1 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.

7. FINANCIAL IMPLICATIONS

- 7.1 These are contained within the report.

8. PERSONNEL IMPLICATIONS

- 8.1 There are no personnel implications.

9. CONSULTATIONS

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

10. RECOMMENDATIONS

- 10.1 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.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 As set out throughout the report.

12. STATUTORY POWER

- 12.1 Section 47 of the Local Government Finance Act 1988.

Author: John Carpenter, Finance Manager (Revenues)
Tel: 01443 863421 E-mail: carpewj@caerphilly.gov.uk
Consultees: Cllr B Jones, Deputy Leader & Cabinet Member for Finance, Performance and Governance
Richard Edmunds, Corporate Director for Education and Corporate Services
Nicole Scammell, Head of Corporate Finance & Section 151 Officer

Background Papers:
'Review of NNDR Discretionary Rate Relief Policy' report to Policy and Resources Scrutiny Committee on 20th January 2015
Rate Relief Application Form, contact ext. 3421