



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

Gwalia Care and Support

4.2.1 An application for top-up discretionary rate relief has been received from the above mutual society, registered with charitable rules, in respect of their premises at Ty Anwen, The Bryn, Trethomas, from 1st April 2016 onwards.

- 4.2.2 The organisation is considered to be a charity at law, registered on the Mutuels Public Register (number 27488R), 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 Gwalia Care and Support are:
- The provision of social housing.
 - The provision of care and support to vulnerable groups within society.
- 4.2.6 The organisation is a non-profit registered provider of social housing.
- 4.2.7 Gwalia Care and Support offer a range of services specifically aimed at improving people's lives and their independence. The organisation works for a wide range of client groups of all ages, including families, ex-offenders; people with alcohol or substance misuse issues and people with learning or physical disabilities.
- 4.2.8 Ty Anwen is a residential mental health service where Gwalia Care and Support provide recovery-orientated rehabilitation within a person-centred framework. Support is available for up to 16 individuals with serious and enduring mental illness. The aim of the organisation at Ty Anwen is to ensure support for individuals to maximise their independence and identify appropriate move-on accommodation.
- 4.2.9 The organisation's main objects are given in point 4.2.5 above and it 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.
- 4.2.10 The business rate liability of the organisation's premises in Trethomas from 1st April 2016 to 31st March 2019 inclusive is £21,978.50. 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 £3,296.78 with the Welsh Government pool bearing the remainder of £1098.92.
- 4.2.11 The Authority's policy for an organisation with charitable purposes, registered on the Mutuels Public Register, 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

4.2.12 Taking the above matters into consideration, it appears that Gwalia Care and Support and its use of the premises with a rateable value of £14,500 satisfies all of the relevant qualifying criteria.

4.2.13 **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, Council Tax & NNDR Manager
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