



## **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 proposal 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**

##### **Growing Space Ltd**

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 Unit 6 Islwyn Workshops, Pontymister Industrial Estate, Risca, from 28<sup>th</sup> September 2016 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 objects of Growing Space Ltd are as follows:
- The provision of services to relieve sickness by the provision of therapeutic training and work experience for people who have suffered or are suffering mental illness.
- 4.2.6 The organisation's 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 Growing Space Ltd was founded as a registered charity in 1992 as a response to the Welsh Office All-Wales strategy for Mental Illness, addressing an identified need for sheltered training and work experience within the community, with the long-term aim of providing quality support and training leading to employment or further education.
- 4.2.9 The Caerphilly New Start Programme is a new programme for Growing Space Ltd and has been developed in partnership with Caerphilly County Borough Council and the Communities First Mental Health Team. The programme is designed as a stepping-stone in to countryside management, horticulture or construction industries. Growing Space's experience from conservation training over many years is that the process of training, team-working and improved fitness levels makes people suitable for a range of employment. Employers are seeking general employability skills, like team-work and communication.
- 4.2.10 The project has developed its infrastructure with the sites at Risca and Hafod Deg (Rhymney) completed. These sites are being used to provide opportunities for a wide range of training tasks, and participants are outside the distractions of their everyday environment, making it easier to work as a team and focus on the training and work experience provided.
- 4.2.11 Membership is open to anyone and there are no admission fees.

- 4.2.12 The business rate liability of the organisation's premises in Risca from the 28<sup>th</sup> September 2016 to 31<sup>st</sup> March 2019 inclusive is £9,365.53. 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 £1,404.83 with the Welsh Government pool bearing the remainder of £468.28.
- 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 Growing Space Ltd and its use of the premises with a rateable value of £7,300 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, 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 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 20<sup>th</sup> January 2015

Rate Relief Application Form, contact ext 3421