



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

The Stroke Association

4.2.1 An application for top-up discretionary rate relief has been received from the above registered charity in respect of their offices at Unit A1 Ty Cenydd, 45 Castle Street, Caerphilly, from 2nd January 2018 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 The Stroke Association are:
- Established for the relief of sickness and distress and for the advancement of health by:
 - a) working for the prevention of stroke;
 - b) educating the public in all matters concerning stroke;
 - c) carrying out, promoting or sponsoring research into the prevention or treatment of stroke or other conditions where the effects are similar to stroke; the rehabilitation and long-term care of stroke survivors and publishing the useful results of such research;
 - d) responding to the needs caused by the effects of stroke, or other conditions where the effects are similar to stroke, by providing advice and support to those affected, their families and carers.
- 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 The organisation has a Caerphilly Stroke Recovery Service which provides high quality information, practical advice and emotional support following a stroke. Whether you are a stroke survivor, carer or family member, they will begin working with people after a stroke. They continue to provide the support needed both at home and in the wider community.
- 4.2.9 The service they offer provides:
- Co-ordinated support throughout a stroke journey
 - Home visits

- Leaflets, factsheets and information about Life-after-Stroke Grants and benefits
- Help with returning to work
- Assistance with accessing local leisure and social activities
- Support for carers, and links to other organisations and networks

4.2.10 The organisation provides a service for stroke survivors of any age, and families and carers of people affected by stroke within the Caerphilly County Borough area.

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 the 2nd January 2018 to 31st March 2019 inclusive is £13,666.99. 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 £2,050.05 with the Welsh Government pool bearing the remainder of £683.35.

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 The Stroke Association and its use of the premises with a rateable value of £21,500 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.

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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 Forms, contact ext 3421