

<b>Title:</b> Discretionary Business Rate Relief for Not-For-Profit & Charitable Organisations		
<b>Ward(s):</b>	City Wide	
<b>Author:</b>	Martin Smith/Jo Hunt	<b>Job title:</b> Revenues Manager/Business Rate Group Leader
<b>Cabinet lead:</b>	Cllr Cheney	<b>Director lead:</b> Chris Holme
<b>Proposal origin:</b> Councillor		
<b>Decision maker:</b> Mayor <b>Decision forum:</b> Cabinet		
<b>Purpose of Report:</b> To approve the new Discretionary Rate Relief (DRR) Policy (app A)		
<b>Evidence Base:</b> Public consultation on two options was carried out between October and December 2017, indicating a preference amongst respondents for one option.		
<b>Officer Recommendations:</b> <ul style="list-style-type: none"><li>• To adopt a revised DRR policy, based on the criteria outlined as option 1 of the consultation (set out at Appendix A).</li><li>• DRR will be considered for organisations whose turnover is under £100,000, and awards will be up to 100% relief of the business rate liability.</li><li>• To note approximately 98 organisations (in 112 premises) that have benefitted from relief in 2017 may meet the criteria and continue to receive relief upon application.</li></ul>		
<b>Background information</b> <ul style="list-style-type: none"><li>a. DRR is awarded to charities, voluntary groups and not for profit organisations. There is no legal requirement for the Council to award it.</li><li>b. Charities occupying premises used wholly or mainly for charitable purposes receive mandatory relief of 80%, and can apply for DRR for the remaining liability.</li><li>c. Leisure centres receive 80% mandatory charitable relief and a 20% top-up from DRR. The award of discretionary relief that forms part of the contracts will continue.</li><li>d. Full Council on 21 February 2017 committed to making savings of £158,000 in 2018-19.</li><li>e. Various proposals were considered and 2 options were subject to full consultation, both of which would be expected to meet the savings commitment in full.</li></ul>		

<b>Revenue Cost: £ NA</b>	<b>Source of Revenue Funding: N/A</b>
<b>Capital Cost: £ NA</b>	<b>Source of Capital Funding: N/A</b>
<b>One off cost</b> <input type="checkbox"/> <b>Ongoing cost</b> <input type="checkbox"/>	<b>Saving Proposal</b> <input checked="" type="checkbox"/> <b>Income generation proposal</b> <input type="checkbox"/>
<b>Finance Advice:</b> In summary, this proposal seeks to reduce the DRR relief to businesses and thereby increase net rates payable. It aims to improve BCC's financial position by £158k from 2018/19 onwards as referenced in the savings tracker against initiative RS15. Its delivery is recorded within the MTFP against 'Locally Raised Funding'. Subject to successful public consultation, the funding itself is intended to be included in the Budget/NNDR1 exercise for 2018/19 and will thereby impact the General Fund for 2018/19. I confirm that I have reviewed this business case and validated the assessment of the saving.	
<b>Finance Business Partner:</b> Jemma Prince 13.7.17, Tony Whitlock 22.02.18	

**Legal Advice:** Regulation 2 of The Non-Domestic Rating (Discretionary Relief) Regulations 1989 provides that the charging authority making a decision or making or varying a determination regarding discretionary relief shall give a years' notice in writing to the ratepayer or ratepayers concerned. It is understood that this has already been done.

Public consultation on the proposals has been carried out. In order to be lawful the consultation should have taken place when proposals were at a formative stage, consultees should have sufficient information and reasons for any proposal to permit intelligent consideration and the consultation should allow adequate time for consideration and response;

There must be clear evidence that the decision maker has considered the consultation responses or a

summary of them, before taking its decision.

The decision maker must comply with the Public Sector Equality duty to consider the need to promote equality for persons with “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation and have due regard to the need to

- i) Eliminate discrimination, harassment, and victimisation
- ii) Advance equality of opportunity
- iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it.

In order to do this, Cabinet will need to have sufficient information about the effects of the proposed changes to discretionary rate relief on the aims of the Equality Duty. The Equalities impact assessment is designed to assist with compliance with this duty and so the decision maker must take in to consideration the assessment and the Public sector equality duty before taking the decision.

**Legal Team Leader:** Sarah Sharland 12/02/18

**Consultation Details:**

The full consultation on 2 options ended 24 December.

Option 1 – Restrict eligibility to organisations whose annual turnover is below £100,000; apply DRR as full discretionary relief or as a top up to mandatory charity relief.

Option 2 - Restrict eligibility to organisations whose annual turnover is below £150,000, but cap relief at 70%, so that all organisations will pay something. Charities will continue to receive 80% mandatory relief, but no additional top up from DRR.

**Consultation response:**

Option 1 –was the preferred choice, with 55 (72%) respondents selecting this option. More details on Appendix B.

<b>DLT Sign-off</b>	Patsy Mellor	31/01/18
<b>CLB Sign-off</b>	CLB	6/2/18
<b>Cabinet Member sign-off</b>	Councillor Cheney	30/01/18
<b>For Key Decisions - Mayor's Office sign-off</b>	The Mayor	02/02/18

Appendix A – Further essential background / detail on the proposal	<b>YES</b>
Appendix B – Details of consultation carried out - internal and external	<b>YES</b>
Appendix C – Summary of any engagement with scrutiny	<b>NO</b>
Appendix D – Risk assessment	<b>NO</b>
Appendix E – Equalities screening / impact assessment of proposal	<b>YES</b>
Appendix F – Eco-impact screening/ impact assessment of proposal	<b>NO</b> <i>It is not anticipated that there will be any significant environmental impacts arising from this proposal.</i> <i>Nicola Hares 1/2/18</i>
Appendix G – Financial Advice	<b>NO</b>
Appendix H – Legal Advice	<b>NO</b>
Appendix I – Combined Background papers	<b>YES</b>
Appendix J – Exempt Information	<b>NO</b>