

REPORT TO: Executive Board

DATE: 18 January 2018

REPORTING OFFICER: Strategic Director – Enterprise, Community and Resources

SUBJECT: Discretionary Non-Domestic Rate Relief

PORTFOLIO: Resources

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to consider an application for discretionary non-domestic rate relief, under Section 47 of the Local Government Finance Act 1988.

2.0 RECOMMENDATION: That the request for 20% discretionary business rate relief for Halton Christmas Toy Appeal for the period 15th November 2017 to 24th December 2017, be approved.

3.0 SUPPORTING INFORMATION

3.1 Under the amended provisions of the Local Government Finance Act 1988, the Council is able to grant discretionary rate relief to any business ratepayer. This relief had previously only been available to organisations that were a registered charity, a community amateur sports club or a not-for-profit organisation.

3.2 From 1st April 2017 the Council became responsible for meeting the full cost of all mandatory and discretionary relief granted, as part of the Liverpool City Region 100% Business Rates Retention Pilot Scheme.

3.3 An application for discretionary business rate relief has been received as outlined below, from Halton Christmas Toy Appeal which is a registered charity. The Council's normal policy is to award 15% discretionary rate relief in such circumstances, with the organisation meeting the remaining 5% themselves.

**Halton Christmas Toy Appeal,
25 Albert Square, Widnes**

- 3.4 Halton Christmas Toy Appeal is a locally based registered charity, which arranges for donated new and unused toys and gifts to be distributed to disadvantaged children in the Halton area.
- 3.5 The premises are used as a drop-off point for local residents and local businesses to donate toys and gifts. The charity will only occupy for the premises for a short period from 15th November 2017 until 24th December 2017, as their purpose is to ensure that disadvantaged children in Halton who would not ordinarily receive a Christmas present, will have a present on Christmas Day.
- 3.6 The charity has previously occupied a similar property for the same charitable purposes in 2016 and discretionary rate relief was granted for the period of occupation.
- 3.7 As a registered charity, the organisation automatically qualifies for 80% mandatory rate relief. The organisation has now applied for discretionary rate relief for the period of occupation. The cost of each to the Council in 2017/18 for the period of occupation would be as follows;

Actual cost of 80% mandatory rate relief	£ 914.11
Actual cost of 15% discretionary rate relief	£ 171.40
<u>Total</u>	<u>£1,085.51</u>

- 3.8 The remaining 5% of the business rates liability which the organisation would then meet themselves totals £57.13. However, given the nature of the charity, the very short period of occupation of the premises and the administrative cost of collecting such a small balance, it is recommended that in this instance 20% discretionary rate relief is granted on an exceptional basis. The total cost to the Council of granting 20% discretionary rate relief would be £228.53.

4.0 POLICY IMPLICATIONS

- 4.1 The Board is required by the regulations to consider each application on its own merit. Any recommendations provided are given for guidance only, are consistent with Council policy and, wherever possible, previous decisions.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The Appendix presents the potential annual costs to the Council of granting rate relief and the actual cost in the current financial year.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

The organisations provide a service to children and young people.

6.2 **Employment, Learning and Skills in Halton**
None

6.3 **A Healthy Halton**
None

6.4 **A Safer Halton**
None

6.5 **Halton's Urban Renewal**
None.

7.0 **RISK ANALYSIS**

7.1 There are no key risks associated with the proposed action.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 The applicant offer their services to all sections of the community, without any prejudice.

9.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

9.1	Document	Place of Inspection	Contact Officer
	Application forms and supporting evidence	Kingsway House, Caldwell Road, Widnes	Louise Bate, Business Rates Manager

APPENDIX

Ratepayer	Address	Annual Rates Liability	Mandatory Rate Relief Awarded	Annual Cost of Mandatory Rate Relief to HBC	Disc. Rate Relief Claimed	Annual Cost of Disc. Rate Relief to HBC	Actual Rates Liability 2017/18 (part year)	Actual Rates Payable 2017/18 (part year)	Actual Cost of Disc. Rate Relief to HBC 2017/18
		£		£		£	£	£	£
Halton Christmas Toy Appeal	25 Albert Square Widnes WA8 6JW	10,426.55	80%	8,341.24	20%	2,085.31	1,142.64	228.53	228.53