

REPORT TO: Executive Board
DATE: 12th December 2024
REPORTING OFFICER: Operational Director - Finance
PORTFOLIO: Corporate Services
SUBJECT: Discretionary Non-Domestic Rate Relief
WARD(S) Borough-wide

1.0 PURPOSE OF THE 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 RECOMMENDED: That

- (i) The application for 15% discretionary top-up relief from Community Shop CIC, be rejected for the reasons outlined within the report;**

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 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 rate relief have been received as outlined below from Community Shop CIC.

3.4 Currently, where discretionary rate relief has been granted to charities and non-profit organisations, it has been provided until 31st March 2025 in order to provide the organisations with some degree of certainty.

Community Shop CIC, Priory House, Northway, Halton Lea, Runcorn, WA7 2FS

3.5 Community Shop CIC is part of Company Shop Group which is an

organisation who are the leading surplus redistributor in the UK. Their aim is to help keep food which otherwise would be wasted, out of landfill thereby reducing emissions, and to deliver financial benefits to people in need, through accessible food and life changing development programmes, and creating a more sustainable future.

3.6 Community Shop is a community interest company whose objectives are stated as follows:

- a) As the UK's first social supermarket chain, the principal activity of the business is the building stronger individuals and more confident communities. Community Shop is a trusted partner within the industry and across the communities it serves, delivering long-term, sustainable change.
- b) Community Shops sell everything you'd expect from a local supermarket, but at deeply discounted prices. The high-quality food, drink and household essentials are from donations made by retailers, manufacturers, and brands, helping to feed families and stop perfectly good products from going to waste.
- c) The money that is made in the Community Shop funds a Community Hub where "members build confidence and independence using The Success Plan". Community Shop Group provides "conversations, training, and tailored personal development programmes which help people build on their strengths to deliver an increased broad range of health and wellbeing outcomes including supporting people getting back into work".
- d) In addition, the Community Kitchen are spaces "where people can buy cooked food at great prices". Events are also run in the Community Kitchen to "get people out of the house, get strangers talking and bring communities together". CSG also provide food literacy training and children eat for free every day, all year round.

3.7 Their charitable aims are:

- a) the prevention or relief of poverty
- b) the advancement of education
- c) the advancement of health
- d) the advancement of citizenship or community development
- e) the advancement of environmental protection or improvement
- f) the relief of those in need.

3.8 Community Shop membership is free and open to those who live locally to a Community Shop store and receive a means-tested benefit. Community Shop has won the Queen's Award for Enterprise, in the Promoting Opportunity category. They aim to

address the physical and psychological impact that a prolonged lack of food access can bring, offering life-changing personal development support, helping to rebuild lives and develop long-term aspiration change in communities. The Healthy Holidays programme prevents holiday hunger, giving 15,114 children free healthy, balanced meals.

- 3.9 Through its range of bespoke personal development and mentoring programmes, Community Shop offers support with building confidence, budgeting, nutrition, employment and empowerment, enabling members to eventually return to mainstream shopping with increased skills, and a clear life plan. Through its sustainable model, Community Shop is able to work closely with members and communities on a long-term, sustained basis. This supports social mobility, promotes inter-generational aspiration, and helps to break long-term dependence on food aid. As a Community Interest Company all profits are re-invested into their social aims and are ring-fenced to Community Shop CIC.
- 3.10 Community Shop CIC has 13 outlets in total including one in London and one in Leicester and several in Yorkshire and the Northwest of England.
- 3.11 Community Shop CIC is already in receipt of 80% mandatory charitable relief. If granted the Council's policy is to only provide 15% with the organisation themselves meeting the remaining 5%. If 15% discretionary top-up relief were awarded in respect of Priory House, Runcorn with effect from 2nd January 2024, the costs to the Council would be as shown in the appendix.
- 3.12 Historically, the Council has chosen to only support organisations who operate solely or mainly within the Borough. Given that Community Shop CIC is part of Company Shop Group which operates on a national basis, the recommendation is to not award discretionary rate relief in this instance.

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 costs to the Council of granting rate relief.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence

Through its range of bespoke personal development and mentoring programmes, Community Shop offers support with building confidence, budgeting, nutrition, employment and empowerment, enabling members to eventually return to mainstream shopping with increased skills, and a clear life plan. Community Shop supports social mobility, promotes inter-generational aspiration, and helps to break long-term dependence on food aid

6.2 Building a Strong, Sustainable Local Economy

The aim is for members to return to mainstream shopping with increased skills and a clear life plan, and members receive support to gain employment

6.3 Supporting Children, Young People and Families

Children eat free every day all year round in the Community Kitchen that is funded by Community Shop CIC. Budgeting and nutrition advice is provided

6.4 Tackling Inequality and Helping Those Who Are Most In Need

The service is only available to those living locally and in receipt of means tested benefits.

6.5 Working Towards a Greener Future

Community Shop CIC is part of Company Shop Group who are the leading surplus redistributor in the UK, helping keep food which otherwise would be wasted, out of landfill, thereby reducing emissions, and creating a more sustainable future

6.6 Valuing and Appreciating Halton and Our Community

The aim is to address the physical and psychological impact that a prolonged lack of food access can bring, offering life-changing personal development support, helping to rebuild lives and develop long-term aspiration change in communities

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 offers their services to all sections of the community, without any prejudice.

9.0 CLIMATE CHANGE IMPLICATIONS

9.1 There are none.

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

10.1 None under the meaning of the Act.

APPENDIX

Ratepayer	Address	Annual Rates Liability 2024/25	Mandatory Rate Relief Awarded	Annual Cost of Mandatory Relief to HBC 2024/25	Discretionary Rate Relief Awarded	Annual Cost of 15% Disc. Rate Relief to HBC 2024/25	Actual Cost of Mandatory & Disc. Relief for 2024/25
		£		£		£	£
Community Shop CIC	Priory House, Northway, Halton Lea, Runcorn, WA7 2FS	62,790.00	80%	50,232.00	15%	9,418.50	59,650.50
Ratepayer	Address	Rates Liability 02.01.24-31.03.24	Mandatory Rate Relief Awarded	Cost of Mandatory Relief to HBC 02.01.24-31.03.24	Discretionary Rate Relief Awarded	Cost of 15% Disc. Rate Relief to HBC 02.01.24-31.03.24	Cost of Mandatory & Disc. Relief for 02.01.24-31.03.24
		£		£		£	£
Community Shop CIC	Priory House, Northway, Halton Lea, Runcorn, WA7 2FS	11,533.77	80%	9,227.02	15%	1,730.07	10,957.09