

Bolsover District Council

**Meeting of the Customer Services Scrutiny Committee
on 21st March 2022**

Business Rates Mandatory and Discretionary Rate Relief Policy

Report of the Assistant Director of Finance and Resources

Classification	This report is public
Report By	Assistant Director of Finance and Resources
Contact Officer	Assistant Director of Finance and Resources Theresa Fletcher 01246 242548 theresa.fletcher@bolsover.gov.uk

PURPOSE/SUMMARY OF REPORT

The purpose of the report is for Customer Services Scrutiny Committee to consider and feedback on the revised Business Rates Mandatory and Discretionary Rate Relief Policy attached at **Appendix 1**. The Committee's comments will be considered prior to Executive approval of the policy.

REPORT DETAILS

1. Background

- 1.1 The Council has the power to award business rate relief under Section 44a, Section 47 and Section 49 of the Local Government Finance Act 1988.
- 1.2 The law governing the granting of discretionary rate relief is found in Section 47 of the 1988 Act and subsequent amending legislation and Section 69 of the Localism Act 2011.

2. Details of Proposal or Information

- 2.1 This policy applies to Non-domestic ratepayers within the Bolsover District Council area that are requesting the authority use their discretion to reduce the organisation's Business Rates liability. There are two distinct types of relief.

Mandatory Business Rate Relief

- 2.2 This rate relief is available to:

- Any organisation which is a registered or excepted charity or trustees for a charity and the property is used wholly or mainly for charitable purposes.
- Community Amateur Sports Clubs (CASC) registered with HMRC.

2.3 Mandatory rate relief for these organisations is funded by the government and gives the recipient an 80% reduction in their business rates.

Discretionary Business Rate Relief

2.4 Billing authorities have the discretion to award discretionary relief in the following circumstances:

- Where the ratepayer is a registered charity or certain other charitable organisation and the property is wholly or mainly for charitable purposes.
- Where the ratepayer is an organisation which is not established or conducted for profit and whose main objectives are:
 - a) Either - Charitable, Philanthropic or Religious
 - b) Or are concerned with – Education, Social Welfare, Science, Literature or Fine Arts.

2.5 Discretionary rate relief of up to 100% may be granted, after taking into consideration all other reliefs an organisation may qualify for. The amount of any award is at the discretion of the Council. The relief is funded 50% by the government; 40% by the Council; 9% by the County and 1% by the Fire and Rescue Service (being the percentages applicable to share out the business rates income from the collection fund).

2.6 For charities and CASC's that are eligible for the 80% mandatory relief, the Council has powers to award discretionary rate relief as a 'top-up' of up to 20%.

2.7 Within the policy is described the application, decision making and appeals process for Mandatory and Discretionary Relief. Guidance is also given on Partial Occupation Relief and Hardship Relief which are both forms of discretionary relief. Rural Rate Relief is also included which can have both a discretionary and mandatory element.

3. Reasons for Recommendation

3.1 The Business Rates Mandatory and Discretionary Rate Relief Policy has been updated to take account of all legislative and operational changes to ensure it remains fit for purpose.

4 Alternative Options and Reasons for Rejection

4.1 No alternatives found – the Council is required to have a Business Rates Mandatory and Discretionary Rate Relief Policy to operate the schemes.

RECOMMENDATION(S)

1. That Members review the attached Business Rates Mandatory and Discretionary Rate Relief Policy at **Appendix 1** and provide comments for consideration as part of the development of the Policy in advance of formal Executive approval and implementation.

Approved by the Portfolio Holder - Cllr Clive Moesby, Executive Member for Finance

IMPLICATIONS:

Finance and Risk: Yes No

Details:

The financial issues are covered within the attached document and throughout the report.

On behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details:

Legal issues are covered within the attached document.

There are no legal or data protection issues arising directly from this report.

On behalf of the Solicitor to the Council

Staffing: Yes No

Details:

There are no human resource issues arising directly out of this report.

On behalf of the Head of Paid Service

DECISION INFORMATION

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No

District Wards Significantly Affected	None
Consultation: Leader / Deputy Leader <input type="checkbox"/> Executive <input type="checkbox"/> SLT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Details: Portfolio Holder for Finance

Links to Council Ambition: Customers, Economy and Environment.

DOCUMENT INFORMATION	
Appendix No	Title
1	Business Rates Mandatory and Discretionary Rate Relief Policy (February 2022)

Background Papers
<i>(These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Executive you must provide copies of the background papers).</i>
None