

TITLE: DISCRETIONARY RATE RELIEF

TO/ON: CABINET ON 29 MARCH 2006

BY: HEAD OF CUSTOMER SERVICES AND E GOVERNMENT

PORTFOLIO HOLDER: CABINET MEMBER FOR CUSTOMER SERVICES

STATUS: FOR PUBLICATION

1. PURPOSE OF THE REPORT

- 1.1. The purpose of the report is for members to approve Discretionary National Non Domestic Rate (NNDR) Relief to various charities and to note the new government guidance in relation to Community Amateur Sports Clubs.

2. RECOMMENDATIONS

- 2.1. That members approve discretionary NNDR relief rate as per the attached appendix 1 totalling £10752.47.
- 2.2. To approve that notice is given to eligible Community Amateur Sports Clubs that Discretionary Rate Relief will cease with effect from 31 March 2007.

3. REPORT AND REASONS FOR RECOMMENDATIONS AND TIMETABLE FOR IMPLEMENTATION

- 3.1. The Head of Financial Services (S.151) has delegated authority to approve discretionary rate relief up to the value of £2000 and as the value as per the report is in excess of £2000 member approval is required. The charities listed in appendix 1 have previously received financial support from Members and the Council in this matter.

4. CORPORATE IMPROVEMENT PRIORITIES

4.1. FINANCE AND RISK MANAGEMENT

- 4.1.1 The councils' budget for 2005/06 for discretionary NNDR relief is £48340. The total of discretionary relief so far incurred under delegated powers is £27871.86.

- 4.1.2 Therefore, the above relief of £10752.47 will increase the allocation to £38624.33.
- 4.1.3 With effect from 1st April 2004 Central Government introduced new rate relief for Community Amateur Sports Clubs (CASC). By attaining CASC status, sports clubs receive Mandatory Rate Relief of 80% which is payable by Central Government. The Local Authority then has discretion to 'top up' the remainder of the relief up to 20%. Organisations must apply to the Inland Revenue for CASC status. Rossendale BC has written to all clubs that receive discretionary relief from rates to inform them of this benefit but mainly only organisations who receive no assistance from the Local Authority have applied. As a large proportion of the cost of Discretionary Rate Relief is met by Council Tax payers it is recommended that notice is given to eligible associations that Discretionary Rate Relief will cease with effective from 31 March 2007. Rossendale BC will continue to grant Discretionary Rate Relief from 1st April 2007 to clubs that have received CASC status. Premises that operate a licensed bar at present pay 10% of rates due and this amount would not change.
- 4.1.4 In 2006/2007 the cost of rate relief to sports clubs is £4983.49. With CASC status the cost would be reduced to £1938.28, providing a saving to Council Tax payers of £3016.91.
- 4.1.5 It is estimated that the majority of traditional applicants have now applied and their costs are included in the above figures.

4.2. MEMBER DEVELOPMENT AND POLITICAL ARRANGEMENTS

- 4.2.1. There are no member development issues.

4.3. HUMAN RESOURCES

- 4.3.1. There are no Human Resource Issues.

5. ANY OTHER RELEVANT CORPORATE PRIORITIES

- 5.1. The responsibility for ensuring that NNDR relief is allocated appropriately in accordance with current legislation rests with the Head of Communities and Partnerships.

6. RISK

- 6.1 None

7. LEGAL IMPLICATIONS ARISING FROM THE REPORT

- 7.1. There are no legal implications

8. EQUALITIES ISSUES ARISING FROM THE REPORT

8.1 The Council operates a standard framework, based on recommendations from the Office of the Deputy Prime Minister (ODPM) for the assessment of Discretionary Rate Relief.

9. WARDS AFFECTED

9.1 All wards are affected

10. CONSULTATIONS

10.1 By individual application from the institutions.

11. Background documents:

Applications
ODPM Guidelines

For further information on the details of this report, please contact:
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