Mandatory and Discretionary Rate Relief Policy March 2026

Stafford
BOROUGH COUNCIL

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Introduction

This policy deals with the administration and authorisation of applications for mandatory and discretionary Non Domestic Rate Relief from organisations including but not restricted to:

- Charities
- Community Amateur Sports Clubs
- Qualifying properties within Approved Rural Settlements
- Non-Profit making organisations
- Occupiers of partly occupied premises
- Organisations suffering severe hardship
- Retail Hospitality and Leisure businesses
- Organisations no longer receiving Small Business Rate Relief
- Pubs and Live Music Venues.

1 Legal Background

1.1 Mandatory Relief for Business Rates is governed by the Local Government Finance Act 1988 - Sections 43(5) and (6) and 45(5) and 45(6).

1.2 Discretionary Relief is governed by Local Government Finance Act 1988 – Sections 44A and 47 and Section 69 of the Localism Act 2011.

1.3 Section 64 of the Local Government Act 2003 provides that from 1 April 2004 clubs registered with the Inland Revenue Sports Club Unit as Community Amateur Sports Clubs (CASCs) are entitled to the same rate relief as charities. CASCs are, therefore, entitled to mandatory rate relief of 80% and the Council has discretion to remit all or part of the remaining 20%.

1.4 Rural Rate Relief is governed by (Sections 43(6B) and 47(3B)) Local Government Finance Act 1988).

1.5 The Council has discretion, under Section 49 Local Government Finance Act 1988, to reduce or remit all or part of the rate liability of any organisation which, in the Council's opinion, is suffering from hardship.

1.6 Details of the funding arrangements for Business Rates and reliefs are contained in the Non Domestic Rating (Contributions) Regulations 1992, (as amended) and the Non Domestic Rating (Rates Retention) Regulations 2013.

1.7 For some relief types, Government has undertaken to reimburse the cost to the Council of awarding discretionary relief. Such payment to the Council would take the form of a grant payable under section 31 of the Local Government Act 2003.

2 Mandatory Relief

2.1 To qualify for mandatory relief, the ratepayer must be; a Community Amateur Sports Club (CASC), registered with the Inland Revenue Sports Club Unit, a charity, or trustee for a charity. The hereditament in question must be wholly or mainly used for charitable purposes.

Registration under the Charities Act 1960 is conclusive evidence of charitable status and bodies which, under the 1960 Act, are excepted from registration or are exempt charities are also eligible for mandatory relief.

3 Discretionary Relief - Charitable and Non-Profit Making Organisations

3.1 Discretionary relief will be considered when one or more of the following applies:-

(a) The ratepayer is a charity or trustee for a charity and the hereditament is wholly or mainly used for charitable purposes.

(b) All or part of the hereditament is occupied for the purposes of one or more institutions or other organisations, none of which is established or conducted for profit and each of whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, sciences, literature or the fine arts.

(c) The hereditament is wholly or mainly used for the purposes of recreation and all or part of it is occupied for the purposes of a club, society or other organisation not established or conducted for profit.

3.2 The Council cannot grant relief from rates on property, all or part of which is occupied, other than as a trustee, by a charging or precepting authority.

4 Discretionary Relief - Other Organisations

4.1 The Localism Act 2011 came into effect on 1 April 2012. Section 69 of the Localism Act amended Section 47 of the Local Government Finance Act 1988 to give the Council discretion to reduce the rates on any hereditament or category of hereditament, that it considers reasonable, irrespective of whether or not the occupier(s) of the property are established for profit.

4.2 In determining such applications, the Council will have regard for the interests of the council taxpayers in its area, as a proportion of the cost of such reductions will be borne by the General Fund of the Council, the County Council and the Fire and Rescue Authority.

4.3 The Council does not have discretion to grant such reductions from rates on property, all or part of which is occupied, other than as a trustee, by a charging or precepting authority.

4.4 Applications for relief in accordance with the Localism Act 2011 are outside the scope of this policy.

5 Rural Rate Relief

5.1 Rural Rate Relief is available in certain prescribed circumstances subject to the category of property, the Rateable Value of the property and the property being located in qualifying Rural Settlement. A qualifying Rural Settlement must have a population not exceeding 3,000 and will usually be a village or hamlet. The specific categories of rural Relief are described below. Rate relief of 100% is paid to the following categories of property.

5.2 **Mandatory Relief for General Stores, Post Offices and Rural Food Shops**

In order qualify for mandatory rural relief, the property must:

- be within the boundaries of a 'qualifying settlement'
- have a rateable value of not more than £8,500.
- be used, in whole or part, as a general store or a post office, or both, or a food shop and,
- where a general store or post office, be either the only general store or the only post office in the settlement.

5.3 **Mandatory Relief for Rural Public Houses and Petrol Filling Stations**

In order to qualify for mandatory rural relief, the property must:

- be within the boundaries of a qualifying settlement
- have a rateable value of not more than £12,500, and
- are either the only public house or the only petrol filling station in the settlement.

6 Reduction or Remission of Rates on the Grounds of Hardship

6.1 The Council has discretion, under Section 49 Local Government Finance Act 1988, to reduce or remit all or part of the rate liability of any organisation which, in the Council's opinion, is suffering from hardship.

6.2 The Council is again prevented from making such a decision in respect of property occupied by precepting or charging authorities and again must have regard to the interest of the council tax payers, in committing expenditure from its General Fund.

6.3 The following guidelines have been issued by the Government in order to assist Members in the consideration of hardship applications:-

- Although authorities may adopt rules for the consideration of hardship cases, they should not adopt a blanket policy either to give or not to give relief, each case should be considered on its own merits.
- Reductions or remission of rates on grounds of hardship should be the exception rather than the rule.
- The test of 'hardship' may not be confined strictly to financial hardship, all relevant factors affecting the ability of a business to meet its liability for rates should be taken into account.
- The interests of Council Tax payers in an area may go wider than direct financial interest. For example, where the employment prospects in the area would be worsened by a company going out of business or the amenities of an area might be reduced by, for instance, the loss of the only shop in a village.
- Where the granting of relief would have an adverse effect on the financial interests of taxpayers, the case for a reduction or remission of rates payable may still, on balance, outweigh the cost to taxpayers.

6.4 Each of these criteria will be considered by the officer determining an application for Hardship Relief.

7 Reduction for Partly Occupied Property

7.1 Authorities have discretion, under Section 44A of the Local Government Finance Act 1988, to reduce the rates on a property which is partly occupied for a short time only. The effect of a reduction under Section 44A would be to reduce the rates on the hereditament to the same level as would be payable if the unoccupied part formed a separate hereditament.

7.2 A certificate is required from the HMRC Valuation Office Agency, in these circumstances, to confirm the rateable value of the unoccupied part. Once the Valuation Office has issued a certificate, relief must be awarded in accordance with it.

7.3 Every application will be considered on its own merits, but the Council will have particular regard to the effect on its General Fund, and the interests of local Council Tax payers, when considering applications from businesses and other organisations.

7.4 In considering applications for Section 44A relief, the Council will consider the cost of the relief to its council taxpayers against any advantages to the local community of the business that has made the application, and in particular the consequences of the outcome of the short term part occupation.

7.5 The Council will reasonably expect that any organisation which choses to occupy a part of a property will consider the business case for doing so, including rate liability, prior to embarking on the part occupation. The Council will, upon request, engage with businesses prior to a decision to part-occupy, as to the likelihood of Section 44A relief being made available, where this will help the business to consider its business case.

7.6 The Council will not award Section 44A relief in respect of part occupations caused by routine or pre-planned repairs or maintenance of the property or equipment within the property.

7.7 The Council will not award Section 44A relief retrospectively, after the period of part occupation has ended.

7.8 The Council will expect to be given the opportunity to visit a part occupied property, to verify the part occupation, and may decline relief applications if no opportunity to visit is offered.

7.9 Other factors to be considered include, but are not limited to:

- The reasons for the part occupation
- The expected duration of any part occupation, and any evidence available to support that expectation
- Previous awards of such relief to the same organisation
- The reasonableness of the ratepayer requesting an alteration of the rating assessment from the HMRC Valuation Office.

8 Supporting Small Businesses 2023 Scheme

8.1 This relief will apply for the financial years from 2023-24 to 2025-26 and will be paid in accordance with the prevailing Government guidance on the operation and funding of the scheme.

8.2 Supporting Small Businesses Relief will help those ratepayers who as a result of the change in their rateable value at the revaluation are losing some or all of their small business or rural rate relief and, as a result, are facing large increases in their bills.

8.3 Charities and Community Amateur Sports Clubs, who are already entitled to mandatory 80% relief, are not eligible for 2023 SSBR.

8.4 To support these ratepayers, 2023 SSBR will ensure that the increase in the bills of qualifying ratepayers is limited to a cash value of £600 per year in 2023/24 after transitional relief and small business rate relief (as applicable) have been applied.

8.5 Those on 2023 SSBR whose 2023 rateable values are £51,000 or more will not be liable to pay the supplement (1.3p) to fund small business rate relief while they are eligible for 2023 SSBR.

8.6 The 2017 SSBR scheme was provided to support small and medium ratepayers who had seen large increases in their bills at the 2017 revaluation. They have, therefore, had 6 years of support to allow them to adjust to their full 2017 bills. Therefore, for those ratepayers receiving 2017 SSB relief in 2022/23, any eligibility for 2023 SSBR ended on 31 March 2024. All other eligible ratepayers remain in 2023 SSBR for either 3 years or until they reach the bill they would have paid without the scheme. A change of ratepayers will not affect eligibility for the Supporting Small Business scheme but eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.

8.7 There is no second property test for eligibility for the 2023 SSBR scheme. However, those ratepayers who lost entitlement to Small Business Rate Relief (because they failed the second property test) but have, under the rules for Small Business Rate Relief, been given a 12 month period of grace before their relief ended - can continue on the 2023 SSBR scheme for the remainder of their 12 month period of grace.

8.8 After 1 April 2023, 2023 SSBR will cease to apply where:

(a) the chargeable amount for a day found under 2023 SSBR is the same as or more than the chargeable amount found in the absence of 2023 SSBR. This ensures that where, for example, the increase in the chargeable amount in 2023 SSBR would take the bill above the level it would otherwise have been then the hereditament will drop out of 2023 SSBR. It also ensures that where, for example, with effect from after 1 April 2023, the hereditament becomes eligible for 100% Small Business Rate Relief then they also fall out of 2023 SSBR,

(b) the chargeable amount for a day would otherwise fall to be found by section 43(5) of the 1988 Act or where paragraph 12(5) or sub-paragraphs 2(4), 3(4), 4(4), 5(4) of the Schedule of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2022 applies (charities or registered community amateur sports clubs),

(c) the hereditament for a day is unoccupied, or

(d) in respect of days from the 1 April 2024 onwards the hereditament had its chargeable amount for 31 March 2023 found by section 47 by virtue of being eligible for schemes introduced by local authorities in 2022/23 to deliver the Extension of Transitional Relief and Supporting Small Business Relief for small and medium properties - www.gov.uk/government/publications/business-rates-guidance-extension-of-transitional-relief-and-supporting-small-business-relief-for-small-and-medium-properties as set out in guidance issued by this Department on 20 December 2021.

8.9 Furthermore, where the ratepayer during 2022/23 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month period of grace before their relief ended (and therefore was still entitled to small business rate relief on 31 March 2023), then eligibility for 2023 SSBR will cease at the end of that 12 months period of grace.

8.10 Hereditaments which cease to be entitled to 2023 SSBR for a day cannot return to eligibility if their circumstances change from a later day. For example, if a property falls unoccupied it will not then be eligible for 2023 SSBR if it subsequently becomes occupied again.

8.11 As with the transitional relief scheme, where the valuation officer issues a certificate of rateable value under regulation 18 of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2022 certifying the correct rateable value at 1 April 2023 (in circumstances where they cannot by rule now amend the list for 1 April 2023) then eligibility for 2023 SSBR and the calculation of 2023 SSBR should be revisited using the regulation 18 certified value in place of the value shown in the list for 1 April 2023. As with the transitional relief scheme, this should have effect as regards the days referred to in regulation 18(4) (the effective date of when the list was altered to correct the inaccuracy and subsequent days) or regulation 18(5) (where no alteration has been made).

This ensures that those ratepayers whose compiled list 2023 rateable values are increased by the Valuation Office Agency but only from the date the list is altered may still be eligible for SSBR from that point onwards. This ensures those ratepayers are not penalised just because the increase in their rateable value was not backdated to 1 April 2023. This follows the same principle which currently exists in the transitional relief scheme.

9 Supporting Small Businesses 2026 Scheme

9.1 The Council will award supporting small business relief if both of the following apply:

- your business property's rateable value increased in the 2026 re-valuation
- you've lost some or all of your small business rate relief, rural rate relief, retail hospitality and leisure relief or 2023 supporting small business relief

If you're eligible, your bills will go up by no more than £800 or the percentage caps listed in the table (whichever is greater) for the 2026 to 2027 tax year.

Rateable Value	**2026 to 2027**
Up to £20,000	5%
£20,001 to £100,000	15%

Over £100,000	30%

This is compared to your bill in 2025 to 2026 and includes the following:

- any small business rate relief
- rural rate relief
- retail hospital and leisure relief
- 2023 supporting small business relief

10 Retail Hospitality and Leisure Scheme (2025-26)

10.1 The Council has adopted the Retail Hospitality and Leisure Relief Scheme. From 1 April 2025 a 40% discount will be applied to any hereditaments meeting the criteria prescribed in Government guidance, up to a cash limit of £110,000 per business.

10.2 Hereditaments that meet the eligibility criteria for Retail, Hospitality and Leisure scheme will be occupied hereditaments which meet all of the following conditions for the chargeable day:

(a) they are wholly or mainly being used:

i. as shops, restaurants, cafes, drinking establishments, cinemas or live music venues,

ii. for assembly and leisure; or

iii. as hotels, guest and boarding premises or self-catering accommodation

We consider shops, restaurants, cafes, drinking establishments, cinemas and live music venues to mean:

i. Hereditaments that are being used for the sale of goods to visiting members of the public:

- Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
- Charity shops
- Opticians

- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/caravan show rooms
- Second-hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as: hairdressers, nail bars, beauty salons, tanning shops, etc)
- Shoe repairs/key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/TV/domestic appliance repair
- Funeral directors
- Photo processing
- Tool hire
- Car hire

iii. Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:

- Restaurants

- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

iv. Hereditaments which are being used as cinemas

v. Hereditaments that are being used as live music venues:

- Live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).

- Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).

- There may be circumstances in which it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music. Although we would expect this would be clear in most circumstances, guidance on this may be found in Chapter 16 of the statutory guidance - www.gov.uk/government/publications/explanatory-memorandum-revised-guidance-issued-under-s-182-of-licensing-act-2003 issued in April 2018 under section 182 of the Licensing Act 2003.

We consider assembly and leisure to mean:

i. Hereditaments that are being used for the provision of sport, leisure and facilities to visiting members of the public (including for the viewing of such activities).

- Sports grounds and clubs
- Museums and art galleries
- Nightclubs
- Sport and leisure facilities
- Stately homes and historic houses
- Theatres
- Tourist attractions
- Gyms
- Wellness centres, spas, massage parlours
- Casinos, gambling clubs and bingo halls

ii. Hereditaments that are being used for the assembly of visiting members of the public.

- Public halls
- Clubhouses, clubs and institutions

We consider hotels, guest and boarding premises and self-catering accommodation to mean:

iii. Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:

- Hotels, Guest and Boarding Houses
- Holiday homes
- Caravan parks and sites

To qualify for the relief the hereditament should be wholly or mainly being used for the above qualifying purposes. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied uses that exist within the qualifying

purposes. However, it is intended to be a guide for ratepayers as to the types of uses that the government considers for this purpose to be eligible for relief. The Council will determine whether particular properties not listed are broadly similar in nature to those above and, if so, to consider them eligible for the relief. Conversely, properties that are not broadly similar in nature to those listed above will not be eligible for the relief.

10.3 The discount will be applied to the account after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied. Where the Council applies a locally funded relief, for instance a hardship fund, under section 47 this will be applied after the Retail Hospitality and Leisure Discount.

10.4 Ratepayers who would be entitled to Retail, Hospitality and Leisure Relief have the right to refuse the relief, in respect of any or all of their properties, and may do so by notifying the Council in writing. Where relief is refused in respect of a property, it cannot be reclaimed by that ratepayer within that financial year.

11 Pubs and Live Music Venues (from 1 April 2026)

11.1 If you run a pub or live music venue, you might be eligible for pubs and live music venues relief. The property must be occupied to be eligible for the relief.

11.2 You can only get pubs and live music venues relief up to the end of the 2026 to 2027 billing year.

11.3 **Pubs**

You may be able to get relief if your pub does all of the following. It must:

- be open to the general public
- allow free entry other than when occasional entertainment is provided
- allow drinking without requiring food to be consumed
- permit drinks to be purchased at a bar

11.4 **Live music venues**

Live music venues are properties that are mainly used for the performance of live music to entertain an audience.

It can be used for other activities, but only if those activities:

- are in addition to the performance of live music, such as selling food and drink

- do not change the primary use of the premises being for live music, for example if the venue is occasionally used as a polling station

11.5 You cannot get pub and live music relief if the property is mainly used as a nightclub or a theatre.

11.6 If you're eligible, you'll get 15% off your business rates bills for the 2026 to 2027 billing year (1 April 2026 to 31 March 2027).

11.7 Your business rates bill will not increase by more than the rate of inflation from 1 April 2027 until 31 March 2029.

11.8 There is no limit to the amount of relief you can get.

12 Electric Vehicle Charging Points Relief

12.1 100% Relief will be given, with effect from 1 April 2023, to hereditaments which meet the two qualifying criteria.

- They wholly or mainly consist of an electric vehicle charging point and associated bay(s) that are operational, energised, accessible and open to the public for public use.

- They are separately assessed Electric vehicle charging point and bays, which will have a dedicated Special Category code as defined by the VO.

The relief is not available on sites where charging bays form part of a larger hereditament, and do not have a separate rateable value as assessed by the VO.

13 Other Reliefs

13.1 From time to time Government may introduce new relief types, for hereditaments satisfying certain criteria, for which it is prepared to meet the cost of the relief in full. Where this is the case and no financial cost exists to the council tax payers, relief may be granted by the Council's Chief Financial Officer or the Local Taxation and Benefits Manager, in consultation with the Cabinet Member with responsibility for non-domestic rates.

14 Subsidy Rules

14.1 The Retail Hospitality and Leisure Scheme and Supporting Small Business Relief schemes are likely to amount to subsidy. Any relief provided by local authorities under this scheme will need to comply with the UK's domestic and international subsidy control obligations (See the Government guidance for public authorities - www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities/technical-guidance-on-the-uks-international-subsidy-control-commitments which explains the subsidies chapter of the UK-EU Trade and Cooperation Agreement (TCA), World Trade Organisation rules on subsidies, and other international subsidy control commitments).

15 Funding of Mandatory and Discretionary Business Rate Relief

15.1 **The Non Domestic Rating (Rates Retention) Regulations 2013** provide that Business Rates will be shared in accordance with the following parameters:

- Central Government 50%
- District Council 40%
- County Council 9%
- Fire and Rescue Authority 1%

15.2 The Council is a member of Staffordshire and Stoke Business Rates Pool. As a member, it benefits from a 40% retained share of the Levy due on pool growth which would otherwise be payable to Government.

15.3 As stated above, Government has undertaken to reimburse the cost to the Council of awarding some discretionary reliefs. Such payment to the Council would take the form of a grant payable under section 31 of the Local Government Act 2003.

16 Criteria for Assessing Eligibility for Discretionary Relief

The following information will summarise the above criteria that the Council has agreed to apply in assessing applications for Discretionary Relief.

16.1 **Access**

16.1.1 Is membership open to all sections of the community? There may be legitimate restrictions placed on membership which relate for example to ability in a sport or to the achievement of a standard in the field covered by the organisation or where the capacity of the facility is limited. Clubs or organisations should not be considered if they have membership rates set at such a high level as to exclude the general community. In general, the club or organisation must be prepared to show that the criteria by which it considers applications for membership are consistent with the principle of open access.

16.1.2 Does the organisation actively encourage membership from particular age groups in the community, e.g. young people, women, old age groups, persons with disability, ethnic minorities, etc? An organisation which encouraged such membership might expect more sympathetic consideration than one which made no effort to attract members from groups which the Council considered to be particularly deserving of support.

16.1.3 Are the facilities made available to people other than members, e.g. schools, casual public sessions, etc? The wider use of facilities should be encouraged and rate relief might be one form of recognition that an organisation was promoting its facilities more widely.

16.2 **Provision of Facilities**

16.2.1 Does the organisation provide training or education for its members? Are there schemes for particular groups to develop their skills, e.g. young people, the disabled, retired people? An organisation providing such facilities might deserve more support than one which did not.

16.2.2 Have the facilities available been provided by self-help or grant aid? The fact that a club uses or has used self-help for construction or maintenance or had facilities funded by grant aid might be an indicator that they were more deserving of relief.

16.2.3 Does the organisation run a bar? The mere existence of a bar should not in itself be a reason for not granting relief. The Council should look at the main purpose of the organisation. In sports clubs for example, the balance between playing and non-playing members might provide a useful guide as to whether the main purpose of the club is sporting or social activities. A social club whose main aim is to bring together people with similar interests should not be excluded from relief just because of the existence of a licensed bar.

16.2.4 Does the organisation provide facilities which indirectly relieve the Council of the need to do so, or enhance and supplement those which it does provide? The Council will not refuse relief on the grounds that an organisation is in competition with the Council itself, but will look at the broader context of the needs of the community as a whole. A new need, not being provided by the Council itself but identified as a priority for action, might be particularly deserving of support.

16.3 **Other Considerations**

16.3.1 Is the organisation affiliated to local or national organisations, e.g. local sports or arts councils, national representative bodies? i.e. are they actively involved in local/national development of their interests?

16.3.2 Is the membership drawn from people mainly resident in the charging authority's area? The Council will have regard to the client groups who will ultimately benefit from the service provided by the charitable organisation. As a proportion of the cost of any relief given will be borne by our Council Taxpayers relief may be reduced or declined if it is felt that the beneficiaries are predominantly residents of other areas. (For example, in cases, where hereditaments are situated close to the Council's boundary, a proportion of the membership may come from another charging authority area, and it may therefore be deemed appropriate to reduce the rate of discretionary relief).

16.3.3 The Council will have regard to the financial circumstances of organisations claiming discretionary relief. Relief may be declined if, in the Council's opinion, the organisation has access to alternative funding options.

16.3.4 The Council will have regard for the cost of any discretionary relief to its Council Tax payers. To that end discretionary relief in excess of £10,000 per year will only be awarded in exceptional circumstances, where the organisation concerned can demonstrate support for the Council's priorities and objectives.

16.3.5 The Council will consider additional criteria as appropriate to the furthering of the Council's policies and the needs of the community.

17 Discretionary Business Rate Relief - Precis of Criteria

This section will précis the criteria adopted by the Council as a framework to be used in determining eligibility for discretionary rate relief under Section 47 of the Local Government Finance Act 1988. Not all the criteria listed will be applicable in every case.

17.1 **Basic Conditions**

The following conditions should apply as regards the application:-

- The ratepayer is a charity or trustees for a charity, and the hereditament (property) is wholly or mainly used for charitable purposes, and
- the hereditament is not an excepted hereditament, and
- all or part of it is occupied for the purposes of one or more organisations none of which is established or conducted for profit and each of whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts.

OR

- The property satisfies the qualifying conditions for Rural Rate Relief.

17.2 **Access to Organisation**

- Is membership open to all sections of the community?
- Are there legitimate restrictions on membership, e.g. ability, facility limits?
- Are membership fees unduly high and restrictive?
- Are membership criteria consistent with the principle of open access?
- Does the organisation actively encourage membership from particular groups in the community, e.g. disabled, O.A.P.s?
- Are facilities available to non-members, e.g. schools, general public?

17.3 **Provision of Facilities**

- Does the organisation provide training or education for its members?
- Are there training schemes for specific groups, e.g. disabled, young people?
- Have facilities been provided by self help or grant aid?
- Does the organisation run a bar? This in itself is not a reason for not granting relief.

- What is the main purpose of the organisation, e.g. playing or social?
- What is the balance between the playing and social membership?
- Does organisation provide facilities that indirectly relieve the Council of providing the facility or supplement Council facilities?

17.4 **Other Considerations**

- Is the organisation affiliated to local or national organisations?
- Is the membership drawn from people mainly resident in the Council's area?
- In the case of a Charity Shop, which sells both donated goods and new goods, what is the balance between qualifying and non-qualifying purposes?
- What is the financial position of the organisations claiming discretionary relief? How much reserves do they hold and does, the organisation have access to alternative funding options?
- What is the cost to local Council Tax payers of the relief? Is this cost justified by the service provided by the organisation?

18 Administration of Mandatory and Discretionary Rate Relief Policy

18.1 Applications for relief in accordance with this policy will be determined by the Local Taxation and Benefits Manager or the Revenues Manager.

18.2 Should an applicant be dissatisfied with the determination of an application for discretionary relief, the matter will be reviewed by the Chief Finance Officer.

18.3 Applications must be made in writing and must be supported by the appropriate evidence to confirm the status of the organisation. The officer considering the application will be responsible for the appropriate verification of applications.

18.4 The Council will review all charitable reliefs on an annual basis.

18.5 Awards of charitable relief (Mandatory and Discretionary) will ordinarily remain in payment provided the organisation continues to satisfy the qualifying criteria, but may be ended if:

- The organisation fails to provide information reasonably requested by the Council
- The Council's qualifying criteria are altered and the appropriate notice of change is given to the organisation

18.6 Organisations receiving rate relief must inform the Council if their circumstances change from those that existed when the application was made.

18.7 The Council will end relief entitlement from the date that the organisation's circumstances change, such that they ceased to satisfy the qualifying criteria.

18.8 Awards of relief, under Section 44A, for partly occupied properties, and remission of rates under Section 49 (hardship) will be made in respect of a specific period of rate liability.

18.9 Awards of relief under Section 47 will ordinarily be made if they are granted within 6 months of the end of the financial year to which they apply. The Council may, in respect of awards for the 2024-25 financial year and later, further backdate the relief where it is considered appropriate. Appropriate circumstances would include but not be limited to; delays in the Council's processing of applications, delays in the VOA assessment or alteration of rateable values or other circumstances beyond the control of the applicant. Backdating cannot be guaranteed and the Council must have regard to the cost of any relief before awarding it.

18.10 Subject to there being no additional policy changes or cost implications arising from Government prescribed and funded 'Discretionary Relief', the Chief Finance Officer in Consultation with the Cabinet Member for Resources, is authorised to amend this policy and put in place arrangements to award discretionary rate relief as soon as practically possible.

18.11 The Council will from time to time maintain additional policies to govern the manner in which it uses its discretionary powers given by the Localism Act 2011. Such policies will be particularly concerned with business growth activities and actions aimed at bringing empty properties into use.

19 Right of Appeal

19.1 The amount of any award is at the discretion of the Council and the local authority may only grant relief if it would be reasonable to do so having regard to the interests of council tax payers in its area.

No formal right of appeal therefore exists, however, an applicant may put in writing a request for the decision to be reviewed.

Any request for such a review must be in writing, detailing the reasons why the decision should be reviewed, and must be received within one calendar month of the above notification.

The reviewing officer will review all the evidence held and will make a decision within 14 days of referral or as soon as practicable thereafter.

Annex A - Framework of Business Rate Relief Awards

The following table summarises the levels of Business Rate Relief awarded to various categories of hereditament. Regard will be paid to these relief levels, when considering any new applications.

The framework is included for guidance only. The rates of relief may be varied, in appropriate circumstances. The Council reserves the right to decline relief applications, where it appears that sufficient alternative means of funding exist.

Type of Organisation	Mandatory Relief	Top Up Relief	Discretionary Relief	Percentage Relief
Advice Support and Training Centres	80%	20%		100%
Community Amateur Sports Clubs	80%	20%		100%
Day Care Centre (Charities)	80%	20%		100%
Day Nurseries (Charities)	80%	20%		100%
Golf Courses and Golf Clubs (Charitable)	80%	20%		100%
Hospice	80%	20%		100%
Land for Model Railway			100%	100%
Library	80%	20%		100%
Meeting Room (Charity)	80%	20%		100%
Offices of Charities	80%	20%		100%
Retreat Centre	80%	20%		100%
Rural Food Store	50%	50%		100%
Rural General Store	50%	50%		100%
Rural Petrol Station	50%	50%		100%
Rural Post Office	50%	50%		100%
Rural Pub	50%	50%		100%
Scouts and Guides	80%	20%		100%
Social Clubs (Charity)	80%	20%		100%
Social Clubs (Non-Charity)			10%	10%
Sports Clubs and Sports Grounds (Charity)	80%	20%		100%

Type of Organisation	Mandatory Relief	Top Up Relief	Discretionary Relief	Percentage Relief
Sports Clubs and Sports Grounds (Non-Charity with Rateable Value Less than £20,000)			100%	100%
Storage (Charities)	80%	20%		100%
Village Halls, Community Groups and Centres (Charities)	80%	20%		100%
Village Halls, Community Groups and Centres (Non-Charities)			100%	100%
Visitor Centre	80%	20%		100%
West Midlands Reserve Forces	80%	20%		100%


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