



# Business Rates Discretionary Rate Relief Policy (Charities, Community Amateur Sports Clubs and Not-for-Profit Organisations)

Version 1.3.1

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Version	Date	Reference	Comment / Amendments
1.0		DED 107 13/14	New Policy
1.1	13/03/2017	CORP00068	Review to reflect Rate Retention
1.2	08/02/2018	N/A	Review: No Change
1.3	09/11/2018	CORP000439	Update of job titles
1.3.1	14/08/2020	N/A	Rebranding

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## **Business Rates - Discretionary Rate Relief Policy (Charities, Community Amateur Sports Clubs and Not-for-Profit Organisations)**

### **1. Qualification Criteria**

- 1.1 In accordance with section 47, of the Local Government Finance Act 1988, the St Helens Borough Council has discretionary powers to grant additional discretionary rate relief to the following ratepayers:
- a) Organisations that currently qualify for 80% mandatory rate relief, including:
    - registered charities and exempt charitable organisations where the property is used wholly or mainly for charitable purposes; or
    - sports clubs that are registered with HM Revenue and Customs as a Community Amateur Sports Club (CASC).
  - b) Other not-for-profit organisations, including Community Interest Companies, that do not qualify for mandatory rate relief but where the property is, either:
    - used for charitable, philanthropic or religious purposes and is concerned with education, social welfare, science, literature or the fine arts; or
    - wholly or mainly used for recreation purposes.
  - c) Other ratepayers (commercial organisations) where the Council is satisfied that it would be reasonable to grant relief, having regard to the interests of its Council Tax payers.
- 1.2 This policy outlines the qualification criteria, application and decision-making process in respect of charities, CASCs and not-for-profit organisations. This policy does not include applications in respect of commercial ratepayers which will be considered as part of a specific business case or scheme designed for that purpose.

### **2. Qualification Criteria: Charities, CASCs and Not-for-Profit Organisations**

- 2.1 Due to financial constraints, it is not possible to award discretionary rate relief to every organisation. As such, applications will be considered on a case by case basis using the following two stage process.
- 2.2 **Stage 1:** To be considered for discretionary rate relief, an organisation must be able to demonstrate that they meet the following criteria:

- a) Activities undertaken within the hereditament are compatible with the Council's strategic objectives, priorities and values.
- b) The activities provide a genuine and tangible benefit to the residents of St Helens.
- c) Sound financial and governance arrangements are in place.

2.3 **Stage 2:** Subject to adequately demonstrating Stage 1, the following criteria will be considered when deciding whether it is appropriate to: grant relief; determine the value of that relief; and set the date that it will expire.

2.3.1 **Additional Criteria - all organisations:**

- a) The level of financial support currently provided by the Council and other public bodies.
- b) The suitability of the premises. Its size, location and rateable value are appropriate for the number of service users.
- c) The period since the organisation was established.
- d) The extent to which the relief, if awarded, would distort the market or activities of other organisations including commercial activities.
- e) The overall cost to the Council in granting relief.

2.3.2 **Additional criteria for CASCs and other sports clubs:**

- a) Sports clubs must have Clubmark or equivalent accreditation.
- b) Membership must be open to all sections of the community.
- c) Membership fees should be affordable.
- d) The organisation should actively encourage membership from disadvantaged or under-represented groups.
- e) The organisation should provide coaching, training or education for its members.
- f) Membership is mainly drawn from resident within the borough of St Helens.
- g) Profits from licenced bars are used to support the activities of the club and are not the primary purpose for the club.
- h) Payments to players, where appropriate, should be linked to other activities that provide tangible benefits to the club and the wider public.

### 3. **Applications Process**

3.1 The ratepayer should complete a separate application form in respect of each hereditament. Applications will need to clearly demonstrate how the organisation meets and supports the Council's criteria as outlined in section 2 above.

3.2 In addition, the ratepayer should provide copies or website links of their governance arrangements (e.g. Constitution, Articles of Association) and their most recent financial statements (or financial forecasts).

#### **4. Value and Period of Relief Granted**

- 4.1 The value of relief granted will be determined based on the criteria detailed within section 2 above.
- 4.2 Discretionary Rate Relief will be awarded for a period of between one and three years. This will be determined based on the type of organisation and the specific criteria detailed within section 2 above. Ratepayers will be notified of the period of the award and should make necessary arrangements to reapply if necessary.
- 4.3 Awards in respect of new applications will, in the first instance, run from the application date to the end of the financial year (31<sup>st</sup> March). Requests to backdating awards will only be considered in exceptional cases.
- 4.4 Ratepayers must promptly notify the Council of any changes in their circumstances. Significant changes may result in relief being cancelled or reduced from the period the change took place.

#### **5. Financial Implications**

- 5.1 The cost of awarding discretionary rate relief is borne by local taxpayers through the collection fund. As such, the Council will consider its overall financial position and priorities when making awards under this policy.

#### **6. Applying the Policy**

- 6.1 The Executive Director of Corporate Services, or nominee, in consultation with other officer(s) will consider applications against the criteria outlined in this policy.
- 6.2 Decisions will be notified in writing.

#### **7. Appeals**

- 7.1 If a ratepayer is not satisfied with the decision they can request, in writing, within 21 days for the decision to be reviewed. If they are still not satisfied with the decision after the review has taken place they retain the right to make a complaint under the Council's Corporate Complaints Procedure.

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