

NORTH LINCOLNSHIRE COUNCIL

**FINANCE PROCUREMENT & IT
CABINET MEMBER**

**SECTIONS 43, 47 AND 49 LOCAL GOVERNMENT FINANCE ACT 1988
SECTION 1 LOCAL GOVERNMENT AND RATING ACT 1997**

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To decide the level of Business Rate relief to be awarded to ratepayers in North Lincolnshire.
- 1.2 The key points in this report are as follows:
- New rate relief applications for the years 2009/10, 2010/11 and 2011/12 have been received, and the recommended level of discretionary relief awarded is based on set criteria.

 - For applications which result in a change to the level of relief, the projected level of relief and the cost to the Council, a total of £1,363.23 is shown in Appendix A.

2. BACKGROUND INFORMATION

- 2.1 The Policy Committee agreed the legal position and administrative practices for dealing with rate relief on 22 January 1996.
- 2.2 The Corporate Services Cabinet Member on 20 February 2004 (minute 128 refers) agreed to adopt a scoring system based on set criteria for the awarding of discretionary rate relief. The Corporate Services Cabinet Member on 7 February 2005 (minute 233 refers) agreed to amend the criteria. The Corporate Services Cabinet Member on 21 December 2006 agreed to update the criteria and gave approval to the Director of Finance to authorise relief where the level of relief remains unchanged.

- 2.3 The ratepayers in receipt of rate relief in 2008/9 have had their applications reviewed. To date 251, 97 per cent, of the review forms have been fully completed. Of those, the level of relief has not changed for 216 applicants. New and existing applicants continue to return forms fully completed.
- 2.4 There is no discretion about granting mandatory relief.
- 2.5 Section 49 of the Local Government Finance Act 1988, gives a billing authority discretion to reduce or remit the payment of rates where an authority is satisfied that the ratepayer would sustain hardship if it did not do so, and is reasonable for the authority do so having regard to the interests of its local charge/taxpayers.

3. OPTIONS FOR CONSIDERATION

- 3.1 The attached schedule, appendix A, shows 6 new applications.
- 3.2 The recommended level of discretionary relief, and where appropriate the previous level of relief for each applicant, and the cost to the Council are shown on the attached schedule, appendix A.
- 3.3 All application forms will be available at this meeting for inspection by Councillors. This will enable Councillors to review in detail, if required, any suggestions set out in the schedule.

4. ANALYSIS OF OPTIONS

- 4.1 A criteria is used to score all applications and to recommend the appropriate level of rate relief. To continue using this criteria will ensure fairness in awarding relief for new applicants. Members have the option to consider each case on its merits and change the level of relief from that recommended in this report.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

- 5.1 Financial
If the decision is to award the recommended level of discretionary relief in each case, it is estimated the additional amount granted will be £1,363.23. The budget provision for rate relief for 2011/12 is £79,410.00, of which £77,828.58 has already been awarded on the existing charity and rural relief cases. The awarding of relief to the applicants listed on the attached schedule will increase the total cost to the council to £79,191.81.

6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 –CRIME AND DISORDER, RISK AND OTHER)

- 6.1 The Non-domestic rate administration and collection service is a statutory obligation and considerations of rate relief meet the legislation requirements.
- 6.2 Applications are considered and encouraged from all different organisations.
- 6.3 If relief is not granted there is a risk businesses could cease to trade resulting in lack of services and unemployment.

7. OUTCOMES OF CONSULTATION

- 7.1 No consultation is required.

8. RECOMMENDATIONS

- 8.1 To award the level of rate relief to each applicant as set out in the attached schedule to this report.

DIRECTOR OF FINANCE

Pittwood House
Ashby Road
SCUNTHORPE
North Lincolnshire
DN16 1AB
Author: G Twidale
Date: 16 September 2011

Background Papers used in the preparation of this report

Local Government Finance Act 1988
Application Forms
Cabinet Member Report 20 February 2004
Local Government and Rating Act 1997

Appendix A

App No.	Ratepayer	Property Address	Mandatory Charity 80%	R V £	PR N	Suggested Relief %	Amount borne by NLC £
<u>NEW APPLICATIONS</u>							
CHARITY/NON PROFIT							
14/11	Killingholme Full Bore Club	Rifle Range and Premises Airfield North Killingholme	Y	1200	ND281109195	20	152.46
13/11	The Intraining Group Ltd	Premises 201 High Street, Scunthorpe	N	18750	ND440286679	30	608.90
30/10	English Heritage	Historic Property and Premises Thornton Abbey & Gatehouse, College Road East Halton,	N	1000	ND140309075	nil	0.00
31/10	English Heritage	Historic Property St Peters Church, Soutergate, Barton on Humber	N	1000	ND056259050	nil	0.00

It is recommended that no discretionary relief is awarded as the above applicant is funded by the government .

2/11	The Old School Clothing Company	Shop & Workshop 17 Robert Street Scunthorpe	Y	8700	ND440286408	10	282.53
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This application was considered by the cabinet member on 11 April 2011. Based on the information provided at that time it was agreed not to award discretionary relief. Now further information has been provided about the use of the workshop above the shop, it is recommended relief is awarded.

HARDSHIP

1/11	A Thompson	Shop 11 High Street Crowle	n/a	2950	ND630790090	100	319.34
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The above property which has been empty since November 2008 is unoccupied and on the market for sale. The owner was previously exempt from paying rates but from 1 April 2011 the rateable threshold to qualify for an empty property exemption changed from £18,000 to £2,600. The rateable value is £2,950 so the exemption can no longer apply.

The owner, who is a pensioner and requires constant medical attention, has applied for hardship relief for the full 2011/12 rate, £1,277.35. The income and expenditure details provided show there are no funds available to pay towards the rate bill.

Total 1363.23