

NORTH LINCOLNSHIRE COUNCIL

<p style="text-align: center;">CABINET MEMBER BUSINESS TRANSFORMATION AND FINANCE</p>

NATIONAL NON-DOMESTIC RATE RELIEF APPLICATIONS

1 OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To decide the level of National Non-Domestic Rate (NNDR) discretionary relief to be awarded to eligible ratepayers in North Lincolnshire.
- 1.2 New rate relief applications for 2017/18 have been received, and the recommended level of discretionary relief awarded is based on set criteria.
- 1.3 The report presents the current level of mandatory and discretionary reliefs granted, compared to the budget.

2 BACKGROUND INFORMATION

- 2.1 NNDR legislation makes provision for granting relief to a range of non-domestic properties. That includes, for example, small business relief, charitable relief and empty property relief. Some relief is mandated and must be granted; other relief is discretionary.
- 2.2 Under the current regime of part localisation of NNDR the council funds a proportion of both mandatory and discretionary reliefs. For the level of collection assumed in the budget the council will fund 44% of all reliefs.
- 2.3 The levels of all mandatory and discretionary reliefs are reported periodically to inform the cabinet member of the forecast impact on the budget.
- 2.4 Mandatory reliefs comprise around 97% of all reliefs by value. The forecast is that more relief will be granted than was assumed in the budget. The level of discretionary relief is currently lower than originally estimated and will remain so if the proposals in this report are approved. The details are shown in Appendix A.
- 2.5 The ratepayers in receipt of rate relief in 2016/17 have had their applications reviewed. New and existing applicants continue to return forms fully completed.

2.6 The council also has a Hardship Relief scheme for cases of exceptional hardship. Cases are rare, however on this occasion one application has been received.

3 OPTIONS FOR CONSIDERATION

3.1 The attached schedule, appendix B, shows two new applications for discretionary relief. There is also one application for Hardship Relief.

3.2 Option 1 – Award the recommended level of relief, shown on the attached schedule, appendix B.

3.3 Option 2 – Consider a level of relief different to that recommended.

4 ANALYSIS OF OPTIONS

4.1 Approved criteria are used to score all applications for discretionary relief and to recommend the appropriate level of rate relief. These cover charitable, not for profit and voluntary sports organisations, and rural businesses. To continue using these criteria will ensure fairness in awarding relief for new applicants.

4.2 The cabinet member has the option to consider each case on its merits and change the level of relief from that recommended in this report. Applications meet the approved criteria for discretionary support.

4.3 The Hardship Relief scheme has its own criteria, which consider wider social and economic implications as well as the impact on the business. There is again discretion over the level of support awarded, if any.

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

5.1 Financial

If the decision is to award the recommended level of discretionary or hardship relief in each case, it is estimated the additional cost to NLC will be **£2,593.23**.

6 OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

6.1 An Integrated Impact Assessment is not required. Applications are considered from eligible organisations

7 OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

7.1 No consultation is required.

7.2 There are no conflicts of interests to declare.

8 RECOMMENDATIONS

- 8.1 To award the level of rate relief to each applicant as set out in the attached schedule to this report.
- 8.2 To note the position for 2017/18 on business rate reliefs.

DIRECTOR: GOVERNANCE & PARTNERSHIPS

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Background Papers used in the preparation of this report

Local Government Finance Act 1988
Application Forms
Exempt Application Forms
Cabinet Member Report 25 May 2012
Local Government and Rating Act 1997

Appendix A

2017/2018	Reliefs			Cost to NLC		
	Budgeted Level of Reliefs	Actual Level of Reliefs	Increase/ Decrease(-)	Estimated Cost of Reliefs (Budget)	Estimated Cost of Reliefs (Current)	Increase/ Decrease(-)
Small Business Relief	2,596,502	3,404,743	808,241	1,142,461	1,498,087	355,626
Charitable Relief	2,478,057	2,428,395	-49,662	1,090,345	1,068,494	-21,851
Community Amateur Sports Clubs	37,692	47,225	9,533	16,584	20,779	4,195
Rural premises	23,407	31,013	7,606	10,299	13,646	3,347
Partial Occupancy	96,062	4,376	-91,686	42,267	1,925	-40,342
Empty Property Relief	2,250,323	2,394,202	143,879	990,142	1,053,449	63,307
Total Mandatory	7,482,043	8,309,954	827,911	3,292,098	3,656,380	364,282
Charity Top-up Relief	80,918	82,586	1,668	35,604	36,338	734
Charity Discretionary Relief	118,993	85,552	-33,441	52,357	37,643	-14,714
Hardship Relief	0	0	0	0	0	0
Community Amateur Sports Clubs	3,294	5,677	2,383	1,449	2,498	1,049
Rural premises	22,484	0	-22,484	9,893	0	-9,893
Other Rural premises	1,194	0	-1,194	525	0	-525
Total Discretionary	226,883	173,815	-53,068	99,828	76,479	-23,349
Grand Total	<u>7,708,926</u>	<u>8,483,769</u>	<u>774,843</u>	<u>3,391,926</u>	<u>3,732,859</u>	<u>340,933</u>

Appendix B

App No.	Ratepayer	Property Address	Mandatory Charity 80% Rural 100%	R V £	PR N	Suggested Relief %	Discretionary Relief £
<u>NEW APPLICATIONS</u>							
CHARITY/NON PROFIT							
14/17	Humber Bridge Country Hotel	Hotel, Westfield Lakes, Far Ings Road, Barton, DN18 5RG	N	55500	ND052109028	0	0.00
15/17	Preservation & Promotion of the Arts	Warehouse, Unit 1 Dunlop Way,	N	22500	ND45001695	40	520.83
						TOTAL	£520.83

RURAL

NONE

HARDSHIP RELIEF APPLICATIONS

Item No.	Ratepayer & Address	Property Description	RV	Rates Payable £	Relief Applied for £	Suggested Relief £	Potential Amount to be borne by NLC £
1.	DMW Furniture Ltd 19-23 Broadway, Ashby	Shop & Premises	24,250	11,300.50	2,763.20	2,763.20	2,072.40

16/17 DMW Furniture Ltd 19 – 23 Broadway, Ashby, DN16 2SS

It is the recommendation of the Council's officers that in this particular case hardship relief of £2763.20 **IS** granted in full because:-

- The ratepayer continued to provide a service to the community through the period of disruption despite substantial loss of trade.
- For the period of the works (estimated 17weeks) the ratepayer provided proof of accounts and the equivalent for the same period in 2016 showing the loss of income.
- The period in question is approximately 17 weeks which equates to £2,763.20, approximately 75% of the overall rates due for this period of liability.