

NATIONAL NON-DOMESTIC RATING - MANDATORY AND DISCRETIONARY RATE RELIEF

1 SUMMARY

- 1.1 This report refers to applications for Mandatory Rate Relief and Discretionary Rate Relief in accordance with Sections 43,45, 47 and 48, Local government Finance Act 1988.

2 INTRODUCTION

- 2.1 Mandatory Rate Relief may be granted, in accordance with the legislation, where premises are occupied (section 43) by a charity or unoccupied (section 45) where the ratepayer is a charity and when next in use will be used for charitable purposes.
- 2.2 Local Authorities also have discretionary powers to grant rate relief at levels between 1% and 100% to organisations, which are not established or conducted for profit. In such cases any relief granted is funded 75% from the Government's Rate Pool and 25% from the Council's General Fund.
- 2.3 In addition, power is given to "top up" relief to registered charitable organisations which are entitled to 80% Mandatory Rate Relief. In these cases, any relief granted is funded 25% from the Government's Rate Pool and 75% locally from the Council's General Fund.
- 2.4 Discretionary Rate Relief may be awarded for unoccupied properties where it appears that, when next in use, it will be wholly or mainly used for charitable purposes.
- 2.5 The Council's Discretionary Rate Relief Policy was reviewed by the former Corporate Resources Sub-Committee on 3rd October 2000 (Minute 336/2000), and the recommendations contained in this report reflect the decisions reached by the Sub-Committee.
- 2.6 Discretionary Rate Relief is designed primarily for voluntary and non profit making organisations. Legislation describes these organisations as not being

established or conducted for profit and whose main objects are charitable, or otherwise philanthropic, religious, concerned with education, social welfare, science, literature or the fine arts. It also includes premises used for recreation, which includes clubs, societies or other suchlike organisations.

3 RETHINK, UNIT 2 RUMSEY HOUSE, LOCKS HILL, SOUTH STREET, ROCHFORD

- 3.1 Rethink (the operating name of The National Schizophrenic Fellowship) took over the above mentioned premises with effect from 30 May 2003.
- 3.2 The National Schizophrenic Fellowship is a registered charity whose objects are to work towards helping everyone affected by severe mental illness, including schizophrenia, to achieve a better quality of life.
- 3.3 The premises remained unoccupied between 30 May 2003 and 24 November 2003, whilst being refurbished. From November the premises were used as a day centre for people with enduring mental illness.
- 3.4 The day centre is funded by the NHS Trust and individuals will be referred to it from local Mental Health Resource Centres. It is envisaged that in the long-term 90% of those using the day centre will be from the Rochford District Council area.
- 3.5 The day centre will provide training, concentrating on social and computer skills.
- 3.6 It is reported to Members that Mandatory Rate Relief of 80% has been awarded under delegated powers with effect from 30th May 2003.
- 3.7 Members are reminded that the Council's Policy is to award discretionary "top up" relief to charities who receive the 80% Mandatory Rate Relief where the charity's aims are to meet the welfare needs within the community. This links with the Council's second Corporate Objective "To work towards a safer and more caring community".

3.8 R.V. £15,500

Registered Charity Yes – Registration Number 271028

Rate Charge	
30.5.03-23.11.03	£1673.49
(unoccupied rate)	
24.11.03-31.03.04	£2425.62
(occupied rate)	

Total rate charge	£4099.11
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Mandatory Relief Granted	£3279.29
Discretionary Relief	Recommended 20% top up
Financial implication	Zero charge in respect of Mandatory Relief and £614.87 to be borne locally for the granting of Discretionary Relief

4 HULLBRIDGE GARDENS ASSOCIATION, 123 FERRY ROAD, HULLBRIDGE

- 4.1 The Hullbridge Gardens Association has occupied the above mentioned premises since Non Domestic Rates was introduced in April 1990. The premises comprises of a shop, store and an allotment.
- 4.2 The objects of the Association are (a) to promote the interests of gardeners and to take joint action for the benefit of members and (b) to supply garden sundries. This, again, links with the Council's second Corporate Objective, "To work towards a safer and more caring community".
- 4.3 Membership is open to all sections of the community and 98% reside within the Rochford District Council area.
- 4.4 A life membership costs £4.00 (£2.00 for OAP's). This will increase from January 2004 to £5.00 (£3.00).
- 4.5 The Association gives four free talks per year and also put on an annual flower show.
- 4.6 The Association is not established or conducted for profit and is funded by membership fees and any small surplus on takings.
- 4.7 R.V. 4300
- | | |
|-----------------------|-----------------------------|
| Rate Charge | |
| 1.4.03 to 31.3.04 | £1909.20 |
| Discretionary Relief | Recommended 30% |
| Financial implication | £143.19 to be borne locally |

5 RESOURCE IMPLICATIONS

- 5.1 There are no resource implications in respect of the Mandatory Rate Relief.

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- 5.2 If Discretionary “top up” Rate Relief is granted as detailed in this report the total cost to the General Fund for this financial year will be £758.06.

6 LEGAL IMPLICATIONS

- 6.1 Sections 43 and 45 Local Government Finance Act 1988 provides for Local Authorities to award Mandatory Rate Relief to registered charities.
- 6.2 Section 47 and 48 Local Government Finance Act 1988 permits Local Authorities to grant Discretionary Rate Relief to specified groups.

7 PARISH IMPLICATIONS

- 7.1 None.

8 RECOMMENDATION

- 8.1 It is proposed that the Committee **RESOLVES**

That Discretionary Rate Relief be granted as follows:

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|------------------------------------|---|--|
| (a) Rethink | - | 20% top up relief with effect from 30 th May 2003 |
| (b) Hullbridge Gardens Association | - | 30% relief with effect from 1 st April 2003. |

Steve Clarkson

Head of Revenue & Housing Management

Background Papers:

Local Government Finance Act 1988
Application forms and supporting documents from Applicants

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