

Non-Domestic Rates Discretionary Rate Relief Policy

1. Introduction

- 1.2. The Local Government Finance Act 1988 provides for Non-Domestic Rate relief to be awarded for certain types of organisations and businesses
- 1.3. The Council can grant discretionary relief to:
- Charitable organisations (up to 20%, as charitable organisations are already eligible for 80% rate relief). Community Amateur Sports Clubs (CASC's) that have registered with the Inland Revenue fall into this category
 - Other organisations or institutions that are not established for profit and whose main objects are charitable or otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts (up to 100%)
 - Properties occupied by not-for-profit sports or social clubs or societies, or other organisations for the purpose of recreation (up to 100%)
 - A ratepayer experiencing difficulty paying and it is in the best interest of its council taxpayers to grant 'Hardship' relief (up to 100%)
- 1.4. Some of the cost of rate relief is borne by Central Government from the national non-domestic rate relief (NNDR) pool.

The cost to the Council of granting relief varies according to circumstance, as set out in the following table:

Type of Relief	Percentage met by Eastbourne BC	Percentage met by Central Govt NDR Pool
Mandatory Relief of 80% for charitable organisations	0%	100%

Up to 20% additional discretionary rate relief for charitable organisations	75%	25%
Up to 100% discretionary rate relief for other eligible organisations	25%	75%
Up to 100% discretionary relief on grounds of hardship	25%	75%

2. Policy Aim

- 2.1 This policy sets out the Council's intentions for dealing with discretionary rate relief applications from Charities, Community Amateur Sports Clubs (CASC's) and Non-Profit Making Organisations.
- 2.2 Through this policy, Eastbourne Borough Council is providing a mechanism to reduce, or remove the business rates liability for such charities and non-profit making organisations that are providing valuable facilities and services to communities within Eastbourne.
- 2.3 This policy aims to provide clarity around the process of administration of applications for Discretionary Rate Relief, consistency in the application of the policy and to ensure maximum take-up from potential qualifying organisations, which will in turn contribute to achieving the Council's ambitions.

3. Applications for Rate Relief

- 3.1** Business Rates payments remain legally due and payable in accordance with the most recent bill and until such time as any relief is awarded.

- 3.2** Written applications will be required for each individual case. The Council will ensure that the application forms for discretionary rate relief are made available to ratepayers upon request as well as through the Council's website.
- 3.3** Completed applications must be accompanied by the most recent trading accounts or a summary of all income and expenditure over the past twelve months. These must be specific to the trading activity of the property from which relief is being applied for. A review of the accounts will be undertaken which will consider any trading activity, annual turnover and unallocated reserves.
- 3.4** Where it is necessary, the ratepayer may be required to provide further information to support their application. Failure to complete the application fully or supply the information requested will delay the decision making process.
- 3.5** All qualifying businesses and organisations are required to notify Eastbourne Borough Council within 21 days of any changes in circumstances that may affect their entitlement to rate relief.

4. How Applications are Processed

- 4.1** The Business Rates Team will administer all applications for rate relief.
- 4.2** The Business Rates Officer, in conjunction with the Revenues Manager and Senior Local Taxation Officer will assess applications for rate relief and recommendations will be made to the Revenues and Benefits Manager. The Revenues and Benefits Manager will decide whether to award discretionary rate relief.

5. Notification of the Decision

- 5.1** Successful applications will be notified of the amount of Discretionary Rate Relief awarded by the issue of a new Rate Demand Notice. The rate relief will be awarded by means of a reduction shown on the Demand Notice to the ratepayer. Where this puts the account in credit for the year, a refund will be made by the Council.

5.2 Unsuccessful applicants will be notified in writing and reasons for the decision will be provided.

6. Timescales for New Applications

6.1 Wherever possible, new applications should be made by December prior to the financial year for which the relief is being sought. Accepting applications after this time will be at the discretion of the Council. Applications have to be determined by law within six months of the end of the financial year for which relief is being sought.

7. Review of Relief

7.1 Discretionary awards can be granted up to a maximum of three years. Continuation of relief will be subject to reapplication or review.

7.2 Renewal applications should be received by the date specified on the application form.

7.3 Businesses and Organisations will be invited to renew their application for the next financial year or years during the third quarter of the preceding year in which they have been granted relief. When completed forms are returned, they will be checked to ensure entitlement to relief still exists and, if so, the relief may be awarded for a further three years subject to any changes in the business or organisation's circumstances.

7.4 The Council will inform organisations of the types of changes or circumstances in which they need to inform the Council.

7.5 Where a renewal application form is not returned by the specified date, relief will not be awarded and the business or organisation will be sent a rate bill for the full charge.

8. Policy For Granting Relief

8.1 In formulating its policy for discretionary rate relief the Council will take into account the following factors:

8.2 The extent to which the business or organisation:-

- Meets the local needs in the Eastbourne community; and either
- Provides a valuable service to the Eastbourne community; or
- Provides access to facilities which indirectly relieves the Council of the need to do so
- Demonstrates how they help support the Eastbourne Community Strategy themes

8.3 Relevant criteria that will be used by the Council when considering applications for relief:

	Criteria	How this is measured
1	Membership is open to all sections of the community	<p>A Business, club or organisation will not be considered if it has membership rates at such a high level as to exclude the general community</p> <p>Membership or attendance must not be restricted by age (including children and young people), disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation</p>
2	The business or organisation actively encourages membership from particular groups in the community such as young people, women, older age groups, disabled people etc	An organisation which encourages such membership can expect more sympathetic consideration than one which does not
3	Facilities are made available to people other than members such as 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
4	The organisation provides training or education to its users or	An organisation providing such facilities might deserve more support than one which does not

	members	
5	The facilities have been provided by self help or grant aid	This is an indication that an organisation is deserving of relief if it has made efforts for self help or submitted applications for grant aid
6	The organisation does not run a bar	The existence of a bar will not in itself be a reason for not granting relief, but the main purpose of the organisation will be examined. An organisation or business with a commercially operated bar will not be considered for relief
7	The organisation provides access to facilities which indirectly relieves the Council of the need to do so	A need, not being provided by the Council, but identified as a priority for action, might be particularly deserving of support
8	Membership is drawn mainly from people residing in the Eastbourne Borough	There will be a cost borne by the Council Tax payers of Eastbourne if any relief is granted. An organisation with the majority of members residing in the Borough of Eastbourne will be more deserving of relief
9	The organisation is in need of financial assistance	Latest audited accounts or a summary of income and expenditure will be examined to determine the need for financial assistance

9. Complaints and Appeals Against Decisions

- 9.1** Applicants for discretionary rate relief should note that some of the cost of the relief is borne by the Council. In determining the level of relief to be granted the Council must consider its budgetary position.
- 9.2** The Council has the right to vary the level of relief that is has previously granted either in respect of a particular organisation or in respect of a class of organisation, or to all organisations in receipt of relief.

- 9.3** Decisions on awarding discretionary rate relief are made on the basis of the relevant criteria and an organisation appealing a decision must be able to demonstrate that they can satisfy the criteria in any appeal lodged.
- 9.4** If the applicant wishes to lodge an appeal against any decision, the appeal must be made in writing to the Revenues and Benefits Manager and must demonstrate that all of the relevant criteria contained within this policy are met. An appeal must be sent to Eastbourne Borough Council within 1 month of the date on the (refusal/award) letter.
- 9.5** The Council will acknowledge the appeal in writing within 10 working days.
- 9.6** The Grants Task Group will consider any appeals lodged and will make recommendations to the Senior Head of Community who will decide whether to award discretionary rate relief. A letter will be sent to the applicant to advise of the final decision.