

Appendix 3

City of Wolverhampton Council

**Business Rates Discretionary Relief
(Charitable and Voluntary Organisations) Policy**

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1. Introduction

- 1.1. This policy sets out circumstances in which reductions in rate liability will be granted to charitable and voluntary, not for profit organisations.

2. Purpose and principles of the policy

- 2.2. The purpose of this policy is to:

- a) Ensure that all considerations for awards are dealt with in a fair, consistent and equal manner
- b) Set a framework for how the council will make the award
- c) Make clear the limited criteria under which relief will be awarded.

3. Requirements for applications

- 3.1. Applications will only be considered where a written application is received from a person properly authorised to make an application on behalf of the organisation.
- 3.2. The Council will request any supporting evidence it considers necessary to properly assess the merits of the application.
- 3.3. The ratepayer must allow a council officer access to the property by appointment during normal working hours within two weeks of the Council receiving the application if it is necessary to verify the use of the property.

4. Eligibility for the scheme and decision making

- 4.1. The following criteria are considered when deciding applications for discretionary rate relief and each application will be treated on its merits. The criteria set out below are consistent with recommendations of the Department for Communities and Local Government and local authority associations.
- a) The organisation should ensure that membership is open to all sections of the community and membership rates/subscriptions should not be set at such a high level as to exclude the general community. The club should, if required, be able to demonstrate the criteria by which applications for membership are consistent with the principle of 'open membership' and in accordance with equal opportunities policies.

- b) Sympathetic consideration will be given to applications from groups who actively encourage membership from particularly disadvantaged groups in the community, e.g. young people or the disabled, elderly people and ethnic minorities.
- c) Sympathetic consideration will be given to organisations who make their facilities available to people other than members e.g. schools.
- d) Whether the organisation provide training for its members particularly the young.
- e) Have the facilities available been provided by self-help or grants from other bodies? Self-help organisations may be considered more sympathetically for discretionary relief.
- f) Does the organisation provide facilities which indirectly relieve the Council of the need to do so or do the facilities complement those provided by the Council?

5. Local criteria

5.1. The following local criteria have been adopted by the Council:

- a) Generally, no discretionary relief should be allowed to national charitable organisations - unless there are exceptional circumstances, *e.g. charitable animal welfare organisations providing local facilities.*
- b) Relief should not be given to sports or social clubs of industrial firms or other business organisations (assistance should be provided by the firm or organisation).
- c) Organisations who receive direct grant aid from the Council will receive maximum discretionary relief with a corresponding reduction in their grant, providing that this does not apply to schemes funded by the Government. However, in cases where the government funding regime assumes that local relief is being granted, this will be given providing that all other criteria is met. Relief will not be granted where government funding is available to meet the liability.
- d) Generally, the facility should be provided for the benefit of people living in the City.
- e) The Council has generally agreed not to allow any relief where in its opinion the body can support itself financially without the need for assistance from the Council in the form of discretionary rate relief.

6. Sports clubs

6.1. The following additional criteria apply specifically for sports clubs:

- a) More than 50% of the members should be active playing members.

- b) Generally, no relief should be allowed where a public admission fee is charged unless there are exceptional circumstances.
- c) Sympathetic consideration to be given to minority sports and where facilities are not provided by the Council.
- d) For those sports clubs that operate a bar, relief should not generally exceed 50% unless there are exceptional circumstances.
- e) Sympathetic consideration to be given to those organisations that are affiliated to local or national organisations with a view to developing their own interests and promoting Wolverhampton as a national or international venue.

7. Recalculation of reliefs

- 7.1. The amount of discretionary charitable relief will be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value, or the organisation moves out.

8. Other reliefs

- 8.1. Discretionary charitable relief will be calculated after the application of other reliefs as specified by the legislation.

9. Duration of awards

- 9.1. Relief will be applied from 1 April 2019 for 2019-2020 and from 1 April 2020 for 2020-2021 financial years only.
- 9.2. A revised bill will be issued reflecting any relief granted.
- 9.3. If an organisation moves out of a property, the relief will be apportioned to the date of leaving.
- 9.4. Organisations are required to notify the Council immediately of any change in circumstances that may affect their entitlement to relief.

10. State aid

- 10.1. The State Aid rules regulate public sector intervention, with the aim of ensuring fair competition and the proper functioning of the single market.

10.2. Relief will not be awarded in any circumstances where it appears that an award will result in the ratepayer receiving state aid that is above the De Minimis level. For most organisations, this is currently equivalent to €200,000 within a three-year period.

11. Review process

11.1. There is no statutory right of appeal against a decision made by the Council regarding discretionary rate relief. However, the Council recognises that ratepayers should be entitled to have a decision reviewed if they are dissatisfied with the outcome.

11.2. The Council will accept a written request for a review of its decision. The request should include the reasons for requesting a review and any supporting information.

11.3. A request for review must be made within one calendar month of the date of the decision letter.

11.4. Reviews will be considered by an officer independent of the original decision maker.

11.5. The applicant will be notified of the outcome of the review in writing.

11.6. This review process does not affect a ratepayer's legal right to seek leave to challenge a decision by way of a Judicial Review.