

Report title	Business Rates Discretionary Relief	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Louise Miles Resources	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All Wards	
Accountable Director	Claire Nye, Director of Finance	
Originating service	Revenues and Benefits	
Accountable employee	Tracey Richards	Head of Revenues and Benefits
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Report to be/has been considered by	Finance Leadership Team	20 January 2021

Recommendation for decision:

The Cabinet (Resources) Panel is recommended to:

1. Approve the extension to the local Business Rates Discretionary Relief Policy in respect of charitable and voluntary organisations for one year from 1 April 2021.

1.0 Purpose

- 1.1 To seek approval to extend the Council's local scheme for business rates discretionary relief with effect from 1 April 2021.

2.0 Background

- 2.1 Discretionary rates relief is granted under Section 47 of the Local Government Act 1988.
- 2.2 The local scheme consists of different categories of relief based on Government guidance where appropriate.

3.0 Business Rates Discretionary relief – Charitable and Voluntary Organisations

- 3.1 The existing scheme relating to charitable and voluntary organisations is set out in appendix 1. The scheme was approved on 4 February 2020 and expires 31 March 2021.
- 3.2 This category of relief provides either up to 20% of liability for registered charities (to top up mandatory relief) or up to 100% of liability in the case of organisations that are not established or conducted for profit.
- 3.3 It is recommended that the scheme be extended, without amendment, for a further year.

4.0 Evaluation of alternative options

- 4.1 The Council could choose not to extend the scheme.
- 4.2 This option has been discounted because of the beneficial impact to local communities of the services provided. In addition, there could potentially be increased demand for Council services should these services be withdrawn.

5.0 Reasons for decision(s)

- 5.1 Extending the scheme for charitable and voluntary organisations continues to support a range of organisations providing support to vulnerable groups allowing the Council to foster good relations and enhance equal opportunities.

6.0 Financial implications

- 6.1 The City of Wolverhampton Council, as one of the constituent members of the West Midlands Combined Authority, has been participating in a business rates retention pilot from April 2017, on a no financial detriment basis. The continuation of the existing 100% business rates retention pilots into 2021-2022 was confirmed as part of the provisional Local Government Finance Settlement. As a result of entering this pilot, the Council retains 99% of business rates, no longer receives Revenue Support Grant and receives a Top Up Grant adjustment to account for the net effect of changes.

- 6.2 Under the 99% business rates retention scheme, the cost to the Council of awarding discretionary (charitable and voluntary organisations) relief in 2021-2022 will be in the region of £560,000.
[MH/03022021/R]

7.0 Legal implications

- 7.1 Section 47 of the Local Government Finance Act 1988 gives discretionary power to billing authorities to grant partial or full relief to certain categories of non-domestic ratepayer. The Non-Domestic Rating (Discretionary Relief) Regulations 1989 allow for this relief to be restricted to a fixed period.
[TS/21012021/Q]

8.0 Equalities implications

- 8.1 A full equality analysis was completed last year which indicated that the Council's approach allows it to foster good relation and advance equal opportunities. No changes are proposed to the scheme this year, only to extend for another financial year.

9.0 All other implications

- 9.1 There are no other implications arising from this report.

10.0 Schedule of background papers

- 10.1 Cabinet (Resources) Panel, 4 February 2020 - [Business Rates Discretionary Relief](#).

11.0 Appendices

- 11.1 Appendix 1 – Business Rates Discretionary Relief (Charitable and Voluntary Organisations) Policy.