

## **CABINET**

**6 SEPTEMBER 2016**

### **BUSINESS RATE RELIEF – ADDENDUM REPORT**

Portfolio Holder: Councillor Rupert Turpin, Business Management

Report from: Phil Watts, Chief Finance Officer

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#### **Summary**

This addendum report provides details of the five principles used in designing the guidelines and the level of discretionary relief that would be applicable for each principle.

#### **1. Background**

- 1.1 The Council's preferred option (Option 2 within the Cabinet Report) is to implement guidelines with a variable level of discretionary relief based on the purpose of the charity, not for profit organisation or community amateur sports club. Those guidelines have been designed around a set of five principles that have been applied across the organisation purposes as described in Appendix 2 of the Cabinet Report.
- 1.2 When awarding top up relief and discretionary relief this option gives priority to organisations seeking to improve the quality of life for children, the elderly, disabled or otherwise vulnerable members of society.
- 1.3 It would take away some support from organisations supporting animal welfare or conservation and those supporting lifestyle choices (arts, entertainment, leisure, fee paying education etc.). It would not offer any support to organisations supporting heritage and regeneration. It would also limit charity shops and cafes to receiving their mandatory relief as they have alternative means of raising funds and are competing with other businesses.
- 1.4 Within this option all charities and community amateur sport clubs would continue to receive their mandatory relief.
- 1.5 The table below outlines the five principles used in designing the guidelines and the level of discretionary relief that would be applicable for each principle.

	Charities or Community Amateur Sports clubs			Not for profit organisations
Principle	Mandatory relief (%)	Top up discretionary relief (%)	Total relief (%)	Discretionary relief (%)
The focus of the discretionary business rates relief should be for organisations seeking to improve the quality of life for children, the elderly, disabled or otherwise vulnerable members of society	80	20	100	100
Organisations supporting animal welfare or conservation should receive less priority when awarding discretionary rate relief	80	0	80	70
Organisations supporting lifestyle choices (arts, entertainment, leisure, fee paying education etc.) should receive less priority when awarding discretionary rate relief	80	0	80	50
Organisations supporting heritage and regeneration should not receive any discretionary rate relief	80	0	80	0
Charity shops and cafes run by charities should not receive any top up discretionary relief as they have alternative means of raising funds are competing with other businesses	80	0	80	N/A

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