

Meeting date: 10 November 2022

Report to: Cabinet Member for Resources

Report title: Applications for Discretionary Rate Relief

Report from: Director of Resources and Deputy Chief Executive

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Wards affected:

- All Wards | Bickenhill | Blythe | Castle Bromwich | Chelmsley Wood |
 Dorridge/Hockley Heath | Elmdon | Kingshurst/Fordbridge | Knowle |
 Lyndon | Meriden | Olton | Shirley East | Shirley South |
 Shirley West | Silhill | Smith's Wood | St Alphege
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Public/private report: Public

Exempt by virtue of paragraph:

1. Executive Summary

- 1.1 To consider the applications for discretionary rate relief as detailed in the appendices attached to this report.
- 1.2 Discretionary rate relief is available to support charities and not for profit organisations that are liable for business rates. Charities are eligible for 80% mandatory relief so a maximum of 20% discretionary rate relief can be considered. Not for profit organisations are not eligible for mandatory relief so up to 100% discretionary rate relief can be considered.

2. Decision(s) Recommended

- 2.1 The Cabinet Member for Resources is asked to consider the applications for discretionary rate relief for the premises listed in the appendices to this report and
- i. Determine the percentage of relief to be granted
 - ii. Determine the duration of the relief (up to a maximum of 2 years)
 - iii. If the relief is not allowed, please provide the reason for the decision.

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3. Matters for Consideration

- 3.1 Discretionary relief is governed by Section 47 of the Local Government Finance Act 1988; the intention is that the relief supplements the provisions concerning mandatory relief. The organisations which it is intended should qualify are charities and organisations of prescribed types.
- 3.2 Legislation enables the Council to grant up to 20% discretionary relief, to top up the 80% mandatory relief already awarded to a registered charity. 100% relief can be considered for organisations who are not registered charities but are not for profit.
- 3.3 From 2017/18, the Council has been involved in a full business rates retention pilot with the other West Midlands metropolitan authorities, so the Council will bear 99% of the cost of any discretionary rate/mandatory relief granted with the remaining 1% funded by the West Midlands Fire and Rescue Authority.

4. What options have been considered and what is the evidence telling us about them?

- 4.1 Each application for relief is supported by a scorecard (which can be seen in the appendices). The purpose of each scorecard is to ensure relief is awarded to those charities and not for profit organisations who are most in need, for example small, local organisations who have limited funds who work with the Council to support residents.

5. Reasons for recommending preferred option

- 5.1 The reasons for each recommendation can be seen on the scorecard for each applicant.

6. Implications and Considerations

- 6.1 State how the proposals in this report contribute to the priorities in the [Council Plan](#):

Priority:	Contribution:
People and Communities: 1. Improving outcomes for children and young people in Solihull. 2. Good quality, responsive, and dignified care and support for Adults in Solihull when they need it. 3. Take action to improve life chances and health outcomes in our most disadvantaged communities. 4. Enable communities to thrive.	N/A

Priority:	Contribution:
<p>Economy:</p> <p>5. Develop and promote the borough's economy, with a focus on revitalising our town and local centres.</p> <p>6. Maximising the opportunities of UK Central and HS2.</p> <p>7. Increase the supply of affordable and social housing that is environmentally sustainable.</p>	Supporting Small Businesses and those most in need.
<p>Environment:</p> <p>8. Enhance our natural environment, improve air quality and reduce net carbon emissions.</p>	N/A
9. Promote employee wellbeing	N/A

6.2 Consultation and Scrutiny:

6.2.1. This report has not been presented to scrutiny.

6.3 Financial implications:

6.3.1. The Council has a budget of £62,410 to fund discretionary rate relief and hardship relief applications. The cost of relief in 2022/23 to date has amounted to £37,352.14 (leaving £25,057.86 available to allocate). If the applications are agreed in line with the recommendations, this would still leave £20,546.62.

6.4 Legal implications:

6.4.1. None.

6.5 Risk implications, including Risk Appetite:

6.5.1. Assessment identified there are no net "red" risks that need to be reported.

6.6 Equality implications:

6.6.1. There are no direct equality implications for discretionary rate relief as the application process is based on the financial assessment of the charity or not for profit organisation.

6.6.2. Although both organisations support communities most in need locally that includes young people, in the case of the applicant Dorridge Music School, the granting of any award would have a significant impact on their financial situation.

6.7 Linkages to our work with the West Midlands Combined Authority (WMCA), Local Enterprise Partnership or the Birmingham & Solihull Integrated Care System (ICS):

6.7.1. None.

7. List of appendices referred to

7.1 Appendix 1 – Shine Youth

7.2 Appendix 2 - Dorridge Music School Knowle

8. Background papers used to compile this report

8.1 None.

9. List of Other Relevant Documents

1.1 None.