

PERTH AND KINROSS COUNCIL

Strategic Policy & Resources Committee

2 December 2015

Granting of Non-Domestic Rates Relief

Report by Director (Housing & Community Care)

PURPOSE OF REPORT

This report is to advise the Committee of the amount of discretionary Non-Domestic Rates relief granted in respect of new applications made during financial year 2014/15.

1. BACKGROUND / MAIN ISSUES

- 1.1 For governance purposes an annual report of all properties granted relief during the preceding financial year is submitted to Committee.
- 1.2 The Scheme of Administration allows the Executive Director (Housing & Community Care) the power to grant discretionary Non-Domestic Rates relief. **The Scheme will be amended at the Council meeting on 16 December 2015 to reflect the recent structural changes within the Council.**

Charitable and Non Profit Organisations (80% mandatory relief)

- 1.3 Under rating legislation the Council must grant 80% mandatory relief to qualifying charitable and non-profit organisations.
- 1.4 The Council may also grant additional discretionary relief (beyond 80%) to these charitable and non-profit organisations.
- 1.5 The current Perth & Kinross Council practice is to award a 20% "top-up" relief to charitable organisations that qualify for the 80% mandatory relief, with the exception of charity shops.
- 1.6 Current practice also allows 100% discretionary relief to be awarded for clubs, societies and organisations not established or conducted for profit whose main objective is charitable or whose main aims are educational, religious, improving social welfare, concerned with science, literature and/or fine arts or mainly used for the purpose of recreation.
- 1.7 The relief cannot be awarded to the Council itself.

Designated Rural Settlement Areas – Qualifying Premises (50% mandatory relief)

- 1.8 Qualifying Post Offices, general stores, food stores, petrol filling stations, public houses and hotels in designated rural settlement areas may also be awarded discretionary rates relief.
- 1.9 In each of the above situations within 1.8 above where there is an entitlement to 50% mandatory relief, current Perth & Kinross Council practice allows a discretionary award of 50% to be given also.

Designated Rural Settlement Areas – Benefits to Local Community (0% mandatory relief)

- 1.10 Discretionary relief may also be awarded in respect of other qualifying premises in designated rural areas provided they are of benefit to the local community.
- 1.11 Such relief, at a 100% rate, is awarded under current practice where the subject is used for the benefit of the local community and it is reasonable to make the award giving regard to the Council Tax payers' requirement to fund this.
- 1.12 Examples of such subjects include village schools and public conveniences.

2. PROPOSALS

- 2.1 It is requested that the Committee note the content of this report and the amount of £2369.54 being the cost of discretionary Non-Domestic Rates relief granted in respect of new applications made during the preceding financial year, as detailed in Appendix A.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 This report is for governance purposes.
- 3.2 It is recommended that Committee note the content of this report.

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Approved

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	No
Asset Management (land, property, IST)	No
Assessments	
Equality Impact Assessment	No
Strategic Environmental Assessment	No
Sustainability (community, economic, environmental)	NO
Legal and Governance	No
Risk	No
Consultation	
Internal	No
External	No
Communication	
Communications Plan	No

1. Strategic Implications

Community Plan / Single Outcome Agreement / Corporate Plan

- 1.1 Housing & Community Care provides a range of functions for customers. These functions support the work of the whole Council by assisting in the delivery of the Council's corporate objectives. As a consequence, this report does not specifically relate to one of the objectives but assists with the delivery of all five, namely:

- (i) Giving every child the best start in life
- (ii) Developing educated, responsible and informed citizens
- (iii) Promoting a prosperous, inclusive and sustainable economy
- (iv) Supporting people to lead independent, healthy and active lives
- (v) Creating a safe and sustainable place for future generations

2. Resource Implications

Financial

- 2.1 Where discretionary rates relief is awarded, 75% of the amount is met by the National Non-Domestic "pool" arrangements and the remaining 25% falls to be met by the Council Tax payers of the Perth & Kinross Council area.

The policies relating to discretionary rates relief ensure that relief is awarded only where it is reasonable to do so and regard is always given to the impact on Council Tax payers.

The cost to the Council of granting discretionary relief during financial year 2014/15 was £171,941.03.

Of this amount, the cost to the Council of granting new awards of discretionary relief during financial year 2014/15 was £2369.54 (details are given in Appendix A).

For comparison purposes only, the cost to the Council of new awards of Non-Domestic Rates relief for the five previous years is shown below:

Financial Year	Cost to Council of New Awards During the Year
2013/14	£5,423.32
2012/13	£13,581.38
2011/12	£8,658.45
2010/11	£12,210.61
2009/10	£20,317.12

Workforce

- 2.2 There are no Workforce implications within the content of this report.

Asset Management (land, property, IT)

- 2.3 There are no Asset Management implications within this report.

3. Assessments

Equality Impact Assessment

- 3.1 The function, policy, procedure or strategy presented in this report was considered under the Corporate Equalities Impact Assessment process (EqIA) and assessed as not relevant for the purposes of EqIA.

Strategic Environmental Assessment

- 3.2 The matters presented in this report were considered under the Environmental Assessment (Scotland) Act 2005. However, no action is required as the Committee is requested to note the contents of the report only and are not being requested to approve, adopt or agree to an action or to set the framework for future decisions.

Sustainability

- 3.3 There are no Sustainability implications within the content of this report.

Legal and Governance

- 3.4 There are no Legal and/or Governance implications within this report

Risk

- 3.5 The report requests that the value of discretionary relief awards is noted. There are therefore no risk implications within the content of this report.

4. Consultation

Internal

- 4.1 Informal consultation between managers within the Local Taxes team has concluded that the existing policies remain fit for purpose. There has been no other internal consultation.

External

- 4.2 No external consultation was carried out in the preparation of this report.

5. Communication

- 5.1 No communication was necessary in compiling this report.

6. BACKGROUND PAPERS

No background papers, other than transactional reports extracted from the Non-Domestic Rates (Northgate) system have been used in the preparation of this report.

7. APPENDICES

Appendix A – Details of the cost of new discretionary relief awards.

Appendix A - Cost of New Discretionary Relief Awards

APPLICANT	SUBJECT	FINANCIAL YEAR	RATES PAYABLE (£)	RELIEF GRANTED (%)	COST TO COUNCIL (£)
Perth & Kinross Foodbank	Office at 5 Back Wynd, Perth. PH2 7DY	2013	£948.43	80% Charity Mandatory & 20% Charity Discretionary	£47.42
		2014	£5,981.70		£299.09
Community Energy Scotland	Office at 4 Algo Business Centre, Glenearn Road, Perth. PH2 0NJ	2013	£1,640.10	80% Charity Mandatory & 20% Charity Discretionary	£82.01
		2014	£1,672.05		£83.60
Perth College UHI	Shop Premises at 2 St John's Centre, Perth. PH1 5UB	2014	£9,291.24	80% Charity Mandatory & 20% Charity Discretionary	£464.56
Perth & Kinross Council	Public Convenience at Taybridge Terrace, Aberfeldy, Perthshire. PH15 2BS	2013	£669.90	100% Rural Discretionary	£167.48
		2014	£682.95		£170.74
C J Lang & Son Ltd	Shop at Post Office, Marshall Way, Luncarty, Perth. PH1 3EX	2014	£1,249.76	50% Rural Mandatory & 50% Rural Discretionary	£156.22
SACRO	Office at Tayview Industrial Estate, Friarton Road, Perth. PH2 8DG	2013	£1,062.60	80% Charity Mandatory & 20% Charity Discretionary	£53.13
		2014	£1,083.30		£54.17
Strathearn Artspace	Library at 6 Comrie Street, Crieff, Perthshire. PH7 4AX	2013	£1,613.99	80% Charity Mandatory & 20% Charity Discretionary	£80.70
		2014	£3,626.70		£181.34

Perth Womens Aid	Rooms within Perth & Kinross Council area	2013	£63.29	80% Charity Mandatory & 20% Charity Discretionary	£3.16
		2014	£1,177.50		£58.88
Comrie Development Trust	Visitor Centre at Unit 1, Cultybraggan, Comrie, Crieff, Perthshire. PH6 2HY	2014	£419.19	80% Charity Mandatory & 20% Charity Discretionary	£20.96
Home Start Perth	Office at Unit B11 Highland House, St Catherine's Road, Perth. PH1 5YA	2014	£2,745.99	80% Charity Mandatory & 20% Charity Discretionary	£137.30
Barnardos	Office at Riverview House, Friarton Road, Perth. PH2 8DF	2014	£2,541.46	80% Charity Mandatory & 20% Charity Discretionary	£127.07
Enable Scotland	Office at Riverview House, Friarton Road, Perth. PH2 8DF	2014	£3,419.59	80% Charity Mandatory & 20% Charity Discretionary	£170.98
CHAS Trading Ltd	Store at Unit 2, Fruix Farm, Kinross. KY13 0LA	2013	£215.02	80% Charity Mandatory & 20% Charity Discretionary	£10.75
		2014	£529.88		£26.49
Blair Atholl & Struan Initiative	Hall at Main Road, Blair Atholl, Pitlochry. PH18 5SG	2013	£4,176.48	80% Charity Mandatory & 20% Charity Discretionary	£208.82
		2014	£4,257.84		£212.89
The Richmond Fellowship	Office at 72B Perth Road, Scone, Perthshire. PH2 6JL	2014	£878.58	80% Charity Mandatory & 20% Charity Discretionary	£43.93
PUSH (Perth & Kinross) Ltd	Store at Tayview Industrial Estate, Friarton Road, Perth. PH2 8DJ	2014	499.39	80% Charity Mandatory & 20% Charity Discretionary	£24.97

Gowrie Care Ltd	Office at 11 Airlie Street, Alyth, Blairgowrie, Perthshire. PH11 8AH	2013	£1,164.24	80% Charity Mandatory & 20% Charity Discretionary	£58.21
Perth & District Model Railway Club	Showroom at Building No 90, Perth Airport, Scone. PH2 6NP	2014	£5,419.10	80% Charity Mandatory & 20% Charity Discretionary	£270.96
Perth & District YMCA	Workshop at Unit 9/9a, 14 Dunkeld Road, Perth. PH1 5RW	2014	£348.02	80% Charity Mandatory & 20% Charity Discretionary	£17.40
Salle Ossian Fencing Club	Store at 4 Riverview Business Park, Friarton Road, Perth. PH2 8DQ	2014	£743.66	80% Charity Mandatory & 20% Charity Discretionary	£37.18
					£2,369.54

