Business Rates Discretionary Relief Policy

1. Introduction

All registered charities or Community Amateur Sports Clubs, using a business property for charitable purposes, are entitled to receive mandatory relief of 80%. The purpose of this policy is to set out the Council's policy for dealing with applications for discretionary rate relief under the Local Government Finance Act 1988 and relief that can be awarded to any business under the Localism Act 2011.

2.1 Charitable Discretionary Relief below £1,000

Where an organisation is currently in receipt of an annual sum of discretionary rate relief of less than £1,000 for an individual property, and the organisation is a local voluntary organisation undertaking charitable activities exclusively for Ealing residents, then relief will continue to be awarded for the period April 2017 to March 2020, at the same percentage level.

2.2 All Other *Charitable Discretionary Relief Applications*

All other applications for discretionary charitable relief will be considered in accordance with the criteria set out below.

Criteria	Guideline Considerations
Alignment to the Council's Priorities and Community Strategy	The organisation will need to demonstrate how its use of business property contributes to the Council's priorities and the Council's Community Strategy.
Membership (where applicable).	The factors considered will include, are members / users Ealing Residents, in respect of sports clubs what is the percentage of youth membership, what are membership fees and do the level of fees restrict membership, are there any other restrictions on membership, is membership open to all? If the Council were not to grant relief what impact could this have on membership fees? Relief will not usually be given to bodies that operate a restrictive membership policy unless restrictions are necessary because of the size of the property occupied. Membership fees should not be at such a high level as to exclude the general community. Consideration will be given as to whether the presence of a club or organisation directly benefits the residents of Ealing.

Criteria	Guideline Considerations
Local charities	Favourable consideration will be given to organisations providing services exclusively for Ealing residents. It is unlikely that the Council will support a national charity head office, for example. However, where a national charity has a branch in Ealing that provides services exclusively for Ealing residents this will be considered favourably.
Finances	The Council will consider the financial position of the organisation. The factors considered will include details of the organisations expenditure and income, assets, the amount of discretionary relief under consideration compared with the organisations financial position, and whether the award of relief demonstrates value for money. Consideration will be made to details of any action taken by the organisation to limit their need for financial support from Ealing Council, for example by self-help or applications for grant aid.
Does the body have an actively trading function, for example, a shop or bar?	The mere existence of a bar or retail outlet will not in itself be a reason for not granting relief, but the main purpose of the organisation will be examined and its ability to trade will be a consideration in determining any award granted.
Council Grants	The decision whether to award discretionary charity relief in respect of occupation of business rates properties is quite separate from grant determinations. However, Ealing will have regard to grant decisions (in particular where Council Grants have been reduced recently) when making discretionary rate relief decisions. If an organisation is in receipt of a grant from the Council this will be considered favourably. However a decision to award grants does not mean that the Council is bound to award discretionary relief, either in full or in part. Where an organisation has recently lost grant funding or had a grant award reduced, this will be taken into account when considering the organisation's finances as above.
Limitations on Council Finances	The Council may limit total relief to the available resources in the NNDR discretionary charity relief budget in any financial year. Where it is considered that relief that might be awarded is more than the level of the available resources in the NNDR discretionary charity relief budget, then individual awards may be reduced pro-rata, or individual awards reduced. Reductions in relief may be phased in over a number of years. In addition, following consideration of all applications, if the amount of relief that may be awarded is more than the Council's discretionary relief budget, the Council may make additional budgets available for discretionary relief. The Council will consider whether it is reasonable to award relief in light of the Council's budget position.

2.3 Discretionary Charity - Period of Relief

Unless specifically stated at the time of the award of relief, discretionary relief awards will continue from year to year at the same percentage rate. The Council will give at least 12 months written notice of any decision to amend or terminate an award of relief. Some awards of relief will be a specific sum of money (credited to the Business Rates account) or will be for a specific period of time – such awards of relief will not require or be given additional notice of the termination of the relief at the end date of the relief period.

2.4 Discretionary Charity - Decisions on relief

Decisions on Discretionary Charity relief will be made by the Head of Local Taxation and Accounts Receivable, or the Director of Finance.

3.1 Business Rates Relief under the Localism Act 2011

Applications for discretionary relief under the Localism Act 2011 will be considered in accordance with the criteria set out below.

Criteria	Guideline Considerations
Individual applications	Before considering individual applications, The Council will need to be satisfied whether relief should be considered under any other discretionary powers such as charitable or on the grounds of hardship. Business Rates are a usual expenses for businesses, and the individual business will need to demonstrate the special or exceptions reasons why the Council taxpayers should be funding a usual business expense. .
Relief for more than one business	There may be circumstances where it is suggested granting relief for a number of businesses, for exceptional or special reasons, or in unexpected circumstances, such as for example as a natural disaster, or flooding, or damage caused by public disturbances. Additionally there may be initiatives suggested whereby businesses in a particular part of the borough should be supported with relief in full or in part.
Alignment to the Council's Priorities and Community Strategy	Before considering relief an individual, or group of businesses, will normally need to demonstrate how granting relief will contribute to the Council's priorities and the Council's Community Strategy. (This may will be unnecessary In the event of disaster situations)
Local businesses and state aid	Consideration will be given as to whether the organisation is a local, or national / international organisation, and any state aid rules that would limit granting relief
Finances	The Council will normally consider the financial position of the organisation. The factors considered will include details of the organisations expenditure and income, assets, the amount of discretionary relief under consideration compared with the organisations financial position, and whether the award of relief

	demonstrates value for money. Consideration will be made to details of any action taken by the organisation to limit their need for financial support from Ealing Council, for example by self-help or applications for grant aid.
Limitations on Council Finances	The Council will consider whether it is reasonable to award relief in light of the Council's budget position.

3.2 Discretionary Relief under Localism Act 2011 - Decisions on relief

Discretionary relief will be initially considered by Head of Local Taxation and Accounts Receivable, or Director of Finance. Since the powers under the Localism Act are very wide ranging, before considering relief it may necessary or appropriate to seek approval of Executive Director of Corporate Resources, the Portfolio Holder for Finance and Performance, Cabinet, or full Council.

4. Appeals

Any appeal against a decision made under this policy must be in writing and reach the Council within 28 days of an organisation receiving notification of an award decision. The Council will acknowledge the appeal within 5 working days of receipt of the appeal. The appeal will be considered by the Portfolio Holder for Finance and Performance and the Council will inform the applicant of the final decision as soon as practicable thereafter.

5. General

The Council will consider each case in accordance with the criteria set out above. These criteria are not restrictive and nothing in them shall be taken as restricting the Council's ability to depart from its general policy as to the granting of relief if it sees fit to do so bearing in mind the facts of each case.

This policy was originally agreed in 2011, and is subject to a three yearly review. The policy was reviewed in 2014/15 and most recently in February 2017. The next review is scheduled to be completed before the start of the 2020/21 financial year.