

Report to Cabinet

Discretionary Rate Relief Policy 2018/19

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Reason for Decision

This report presents an update of the Council's Discretionary Rate Relief (DRR) policy to take into account Central Government funded Non-Domestic Rate Reliefs and reliefs provided by local discretion.

Executive Summary

The Council reviews and updates its Discretionary Rate Relief (DRR) policy on an annual basis and consideration is given to local priorities and national developments.

In the 2017 Autumn Budget, the Government announced an extension to the Pub Relief discount of 1 year. This means the relief will be available from 1 April 2017 for 2 years.

The policy has been amended to provide updated guidance in relation to Revaluation Relief for the 2018/19 financial year. Revaluation Relief is a discretionary scheme to support businesses that experienced a large increase in rateable value following the 2017 revaluation.

The DRR Policy has been revised to include additional guidance in respect of claims for DRR arising from an application for relief under the Localism Act 2011. The policy has also been updated to include a requirement for ratepayers requesting DRR to provide supporting evidence within 21 days of their initial application.

Following feedback from ratepayers the opportunity has also been taken to reformat the policy into sections based on the type of reliefs available. It is believed this should help organisations to follow the guidelines more closely when preparing an application for relief.

Other than in respect of the issues outlined above, the policy is unchanged from 2017/18.

Recommendation

That the proposed Discretionary Rate Relief Policy for 2018/19 at Appendix 1 is approved.

Discretionary Rate Relief Policy 2018/19**1. Background**

- 1.1 Non-Domestic Rates or “business rates” are payable by owners of non-residential premises in accordance with the Local Government Finance Act 1988. Until April 2013 Non-Domestic Rates income was collected by the Council and passed to Central Government, where it was redistributed on a national basis. However from April 2013, changes to the Local Government finance regime meant that income from Non-Domestic Rates more directly impacts upon the Council’s financial position. The Council retained 49% of Non-Domestic Rates collected from April 2013 until March 2017, with 1% payable to the Greater Manchester Fire and Rescue Authority and 50% payable to Central Government. From April 2017, the Council has participated in the 100% rates retention Business Rates pilot scheme along with the other Greater Manchester Authorities. This means that the Council retains 99% of Non-Domestic Rates collected with 1% payable to the Greater Manchester Combined Authority for Fire and Rescue Services. The Government has pledged that Greater Manchester authorities will suffer no financial detriment as a result of participating in the 100% pilot scheme.
- 1.2 The Local Government Finance Act 1988 and the Localism Act 2011 require the Council to maintain a Discretionary Rate Relief Scheme to award Non-Domestic Rates relief of up to 100% to certain organisations which operate within specified criteria. This criteria covers:
- Charitable bodies already in receipt of Mandatory Relief at 80% – the Council has further discretion to ‘top up’ this relief to 100% of the rates due;
 - Registered community amateur sports clubs (CASCs) already in receipt of Mandatory Relief at 80% – again the Council has further discretion to ‘top up’ this relief to 100% of the rates due;
 - Non-profit making organisations – the Council has discretion to grant ‘standard’ Discretionary Rate Relief of between 0% -100% of the Non-Domestic Rates due;
- 1.3 In addition to reliefs available under The Local Government Finance Act 1988 and the Localism Act 2011, the Government has introduced a number of temporary relief schemes. Any awards made under these schemes are fully reimbursed by Central Government. These include:
- The permanent doubling of Small Business Rate Relief (SBRR) with a rise in the threshold to rateable values of up to £12,000, tapering to £15,000.
 - The introduction of a £1,500 business rates discount for office space occupied by local newspapers for two years from 1st April 2017.

- 100% business rate relief for new full-fibre infrastructure for a 5 year period from 1 April 2017; this is designed to support the roll out of new full fibre broadband infrastructure and future 5G communications to homes and businesses.
 - Full business rate relief for the following rural businesses serving populations of under 3,000:
 - The only village shop or post office with a rateable value of up to £8,500
 - The only public house or petrol station with a rateable value of up to £12,500
 - Supporting Small Business relief scheme for ratepayers who are losing some or all of their small business rate relief as a result of a large rateable value increase following the 2017 revaluation. The scheme is available for 5 years from 1 April 2017.
 - £1,000 discount for pubs that have a rateable value of below £100,000. In the 2017 Autumn Budget the government announced an extension to the discount of 1 year. This means the relief will be available from 1 April 2017 for 2 years.
 - Revaluation Relief. This scheme is a discretionary rate relief scheme to support those businesses that have experienced a large increase in rateable value following the 2017 revaluation.
- 1.4 The Council also has the power to reduce or remit the Non-Domestic Rates charged in certain circumstances where the applicant organisation is enduring temporary financial difficulties. This is known as Discretionary 'Hardship' Relief (DHR) and may be awarded where the Council is satisfied that:
- The ratepayer would sustain financial hardship if the Council did not do so; and,
 - It is reasonable for the Council to grant relief with regard to the interests of its Council Tax payers.
- 1.5 The Council also receives requests from ratepayers asking that the rateable value of premises subject to Non-Domestic Rates is split between the occupied and unoccupied portions. This means that the Council would only apply and charge Non-Domestic Rates on the occupied portion of the property. The Council has discretion to accept or refuse a request that the rateable value is split between the occupied and unoccupied portions under Section 44a of the Local Government Finance Act 1988. If the request is accepted, then the Valuation Office Agency is asked to supply a certificate indicating the relevant values for the occupied and unoccupied portions and this certificate is binding upon the Council.
- 1.6 As per existing practice the Cabinet Member for Finance and Human Resources in conjunction with the Director of Finance would be authorised to agree any revisions to the Discretionary Rate Relief policy. This will enable the Council to proactively introduce any additional Central Government initiatives funded by grant compensation that are announced within the financial year.

2 Current Position

2.1 The proposed policy document (attached as Appendix 1) outlines the areas of local discretion and the Council's approach to the various discretionary awards. This approach has been prepared having regard to the impact:

- of granting Discretionary/Hardship Rate Relief on the Council's wider financial position and Council Tax payers.
- on the organisations and businesses that currently receive or may apply for relief in the future.
- for Oldham residents if relief is awarded and also the regeneration benefits to the borough.

2.2 When deciding whether to award any Discretionary Rate Relief, the principal consideration is that in making the award there should be a resultant positive impact for residents and Council Tax payers of Oldham. This consideration also includes long term benefits to both the community and the Council Tax payer, such as increasing employment or improving amenities available to the local community.

3. Amendments to the 2018/19 Policy

3.1 The proposed amendments to the 2018/19 Discretionary Rate Relief policy are;

- A revision to the policy to reflect the extension of the Central Government funded Pub Relief scheme for the 2018/19 financial year.
- Additional guidance in respect of claims for Discretionary Rate Relief arising from applications for relief under the Localism Act 2011. This guidance has been included to formalise the process of the Revenues Team consulting with the Council's Investment Team on receipt of a DRR application for new startup businesses.
- A requirement for ratepayers requesting Discretionary Rate Relief to provide supporting evidence within 21 days of their initial application. This requirement has been included to provide transparency to ratepayers and officers involved within the decision making process of how applications should be processed if the applicant fails to provide the necessary supporting information.
- An adjustment to the policy to reintroduce a requirement for potentially eligible ratepayers to apply for Discretionary Revaluation Relief. The revised policy also reflects the reduced Central Government grant funding for Discretionary Revaluation relief for 2018/19.

3.2 Following feedback from ratepayers the opportunity has also been taken to reformat the policy into sections based on the type of reliefs available. It is believed this should help organisations to follow the guidelines more closely when preparing an application for relief. This is set out on a new contents page provided on page 2 of the revised 2018/19 policy.

3.3 Other than in respect of the issues outlined above, the policy is unchanged from 2017/18.

4. Options/Alternatives

4.1 The following options are available:

4.2 Option 1 - do nothing

If the Council chose not to adopt the revised policy, the Council would continue using the current policy in place. This would mean the Council would not be able to award extensions of pub relief into the 2018/19 financial or introduce amendments to the Revaluation Relief scheme.

4.3 Option 2 – Approve the amendments the Discretionary Rate Relief Policy

This would ensure that the Council has a clearer, more transparent procedure in place to administer Non-Domestic Rate Reliefs and that it incorporates charges announced in the 2017 autumn budget.

5. Preferred Option

5.1 Option 2 – Approval of the 2018/19 Discretionary Rate Relief Policy is the recommended option. This incorporates the 2018/19 extension of pub relief, the amended Revaluation relief guidelines and includes streamlined administrative procedures.

6. Consultation

6.1 The reformatting of the policy document has been informed by feedback from applicant ratepayers.

7 Financial Implications

7.1 The cost of financing existing categories of Discretionary Rate Relief has been factored into budget planning arrangements.

7.2 When Discretionary Rate Relief cases are being considered, the financial impact upon the Collection Fund and ultimately the impact on the Council's retained business rates income is one of the key determinants of the final decision.

(John Hoskins)

8 Legal Services Comments

8.1 The proposal is within the Council's powers. The stage 1 Equality Impact Assessment at Appendix 2 is considered to be adequate for the options described in the report.

(Colin Brittain)

9 Co-operative Agenda

9.1 The Discretionary Rate Relief Policy supports the Council's Co-operative approach in particular to support businesses and charities and by ensuring the Non-Domestic Rate reliefs are administered correctly and that the use of Discretion to award Discretionary discounts is focused on maximising benefits to Oldham residents.

10 Human Resources Comments

10.1 Not applicable

11 Risk Assessments

11.1 To manage its risks, the Council needs to agree a Discretionary Rate Relief Policy before the start of the financial year. (Mark Stenson)

12 IT Implications

12.1 Not applicable

13 Property Implications

13.1 Not applicable

14 Procurement Implications

14.1 Not applicable

15 Environmental and Health & Safety Implications

15.1 Not applicable

16. Equality, community cohesion and crime implications

16.1 Not applicable

17 Equality Impact Assessment

17.1 In taking financial decisions the Council must demonstrate that it has given “due regard” to the need to eliminate discrimination, promote equality of opportunity and promote good relations between different groups.

17.2 Demonstrating that “due regard” has been given involves:

- assessing the potential equality impacts of proposed decisions at an appropriate stage in the decision making process - so that it informs the development of policy and is considered before a decision is taken;
- ensuring that decision makers are aware of the equality duties and any potential equality issues when making decisions.

NB – having due regard does not mean the Council cannot make decisions which have the potential to impact disproportionately, it means that we must be clear where this is the case, and must be able to demonstrate that we have consulted, understood and mitigated the impact.

- 17.3 To ensure that the process of impact assessment is robust, it needs to:
- Be specific to each individual proposal;
 - Be clear about the purpose of the proposal;
 - Consider available evidence;
 - Include consultation and involvement with those affected by the decision, where appropriate;
 - Consider proposals for mitigating any negative impact on particular groups;
 - Set out arrangements for monitoring the actual impact of the proposal.
- 17.4 The Equality Act 2010 extends the public sector equality duties to cover eight protected characteristics, namely: age, disability, gender, gender reassignment, pregnancy and maternity, race, religion and belief and sexual orientation.
- 17.5 There is no duty to undertake an equality impact assessment (EIA) but an EIA is recognised as a useful tool in performing and recording the duty to have due regard. Given the nature of the proposed change a stage one EIA review is considered adequate. This is attached for reference as Appendix 2.

18 Key Decision

18.1 Yes.

19 Key Decision Reference

19.1 CFHR-01-18

20 Background Papers

20.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

File Ref: Background papers are contained in Appendices 1 and 2
Officer Name: Anne Ryans
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21 Appendices

21.1 Appendix 1 - Discretionary Rate Relief Policy 2018/19

21.2 Appendix 2 – Equality Impact Assessment

APPENDIX 1

Discretionary Rate Relief Policy 2018/19

**Guidelines for the Award of Discretionary Relief
in relation to Non-Domestic Rates.**

March 2018

**OLDHAM COUNCIL
DISCRETIONARY RATE RELIEF POLICY
2018/19**

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1. INTRODUCTION AND SCOPE

1.1 Oldham Council is committed to correctly administering the award of Discretionary Rate Relief on Non-Domestic Rates or “Business Rates” to qualifying organisations within the Borough of Oldham.

1.2 With the introduction of the Non-Domestic Rates Retention regime from 1 April 2013, Local Authorities share in the gains and losses associated with changes in Non-Domestic Rates income.

1.3 Since April 2017, the Council has participated in the 100% Business Rates Retention pilot scheme. This means that:

- Mandatory Relief is financed 99% by the Council and 1% by the Greater Manchester Fire and Rescue Authority
- Discretionary Relief is financed 99% by the Council and 1% by the Greater Manchester Fire and Rescue Authority

The Government has pledged that Greater Manchester authorities will suffer no financial detriment as a result of participating in the 100% pilot scheme. This extends to the awarding of mandatory and discretionary rate reliefs.

1.4 In view of the additional cost of awarding Discretionary Rate Relief, the Council has determined that its Discretionary Rate Relief policy is reviewed annually to ensure that an award of Discretionary Relief is focused to maximise benefits to Oldham residents.

1.5 This policy document outlines the areas of local discretion and the Council’s approach to the various awards. This approach has regard to the impact:

- of granting Discretionary Rate Relief including Section 44a Relief and Hardship Rate Relief on the Council’s wider financial position and Council Tax payers;
- on the organisations and businesses that currently receive or may apply for relief in the future;
- for Oldham residents if relief is awarded and the regeneration benefits to the borough.

1.6 The principal consideration when making an award is that any relief granted is in the best interests of the residents and taxpayers of Oldham and produces a local benefit.

1.7 All Members and officers involved in the consideration and processing of Discretionary Rate Relief applications will adhere to this policy.

- 18 This policy and the considerations made when making an award will be reflective and complementary to our commitment to be a Co-operative Council and in particular to work in line with our co-operative principles and values; actively engage residents in decision making; and encouraging delivery through co-operatives, social enterprises and mutuals.

2 THE DISCRETIONARY RATE RELIEF SCHEME

2.1 Discretionary Rate Relief (DRR) is granted in accordance with:

- Section 43 and Section 44a of the Local Government Finance Act (LGFA) 1988; and
- Section 47-49 of the Local Government Finance Act (LGFA) 1988 as amended by the Localism Act 2011;

Clause 69 of the Localism Act amended section 47 of the Local Government Finance Act (LGFA) 1988 to allow local billing authorities to fund their own local discounts. With effect from 1 April 2012, the Council has been able to grant Non-Domestic Rates discounts entirely as it sees fit within the limits of the primary legislation and European rules on state aid. These powers can be used to encourage new business and investment, as well as to support local shops or community services.

2.2 The legislation requires the Council to maintain a DRR Scheme to award Non-Domestic Rates relief of up to 100% to certain organisations which operate within specified criteria. This criteria covers:

- Charitable bodies already in receipt of Mandatory Relief at 80% – the Council has further discretion to ‘top up’ this relief to 100% of the Non-Domestic Rates due;
- Registered Community Amateur Sports Clubs (CASCs) already in receipt of Mandatory Relief at 80% – again the Council has further discretion to ‘top up’ this relief to 100% of the rates due;
- Non-profit making organisations – the Council has discretion to grant ‘standard’ Discretionary Rate Relief of between 0% -100% of the Non-Domestic Rates due;
- Local child care providers – the Council has discretion to grant up to 100% DRR up to state aid limits.
- For properties in a qualifying rural settlement and that are a qualifying village shop, Post Office, or sole petrol station already in receipt of Mandatory Relief of 50%, the Council has discretion to ‘top up’ this relief to 100% of the rates due.
- Businesses the Council considers it wishes to grant relief to – the primary reasons will be to either encourage regeneration in the borough or promote co-operative values.

2.3 Hardship Relief (Section 49 Relief) – The LGFA allows the Council to exercise its discretion to provide either partial or full relief from Non-Domestic Rates in cases of hardship where it would be reasonable to do so having due regard to the interests of council tax payers in general.

- 2.4 Section 44a Relief allows the Council to consider requests from ratepayers for the rateable value of a property to be split between the occupied and unoccupied portions. If awarded the Council would then only charge Non-Domestic Rates for the occupied portion. This is permitted under Section 44a of the LGFA.
- 2.5 There are five schemes administered by the Council, where any relief granted is wholly funded by central government subject to specific criteria. The Council will be using its discretionary powers under section 47 of the Local Government Finance Act 1988 as amended to grant relief. Central government will fully reimburse the Council using a grant under Section 31 of the Local Government Act 2003.

These include:

- Relief for Local Newspapers – the Council has discretion to award a discount of £1,500 office space occupied by local newspapers, up to a maximum of one discount per local newspaper title and per hereditament, and up to state aid limits, for two years from 1 April 2017. Annex A to this document gives further guidance on the criteria for determining this relief.
- 100% business rates relief for new full-fibre infrastructure for a 5 year period from 1 April 2017; this is designed to support roll out to more homes and businesses.
- £1,000 discount for pubs that have a rateable value of below £100,000. To be eligible, the pub must be open to the general public. Further details and the full eligibility criteria are available in Annex B. In the 2017 Autumn Budget, the Government announced an extension to the discount of 1 year. This means the relief will be available from 1 April 2017 for 2 years.
- The Supporting Small Business Relief scheme for ratepayers who are losing some or all of their small business rate relief as a result of a large rateable value increase following the 2017 revaluation. The scheme is available for 5 years from 1 April 2017.
- The Discretionary Revaluation Relief Scheme. The Government established a £300m discretionary fund over 4 years from 2017/18 to support businesses that have experienced a large increase in their rateable value following the 2017 revaluation. Oldham’s remaining allocation of this funding is as follows.

2018/19	2019/20	2020/21
£146k	£60k	£9k

Further details and full eligibility criteria are available in Annex C.

3 CHARITABLE BODIES (CHARITIES)

3.1 A Mandatory Rate Relief of 80% is granted to charities in the following circumstances. Where the:

- ratepayer of a property is a charity or the trustees of a charity; and
- property is wholly or mainly used for charitable purposes (including charity shops, where the goods sold are mainly donated and the proceeds are used for the purpose of the charity).

3.2 The Council does not have discretion regarding awarding Mandatory Rate Relief, however the Council must be satisfied that the statutory criteria has been met. For this purpose the Council will use guidance provided in both the Local Government Finance Act 1988, and by reference to other enactments and case law.

3.3 The Council will refer to the Charity Register for evidence of charitable status however absence from the register does not mean an organisation has not been established for charitable purposes as certain organisations are exempt from registration under the Charities Act 1993.

3.4 In cases where a charity is in receipt of mandatory rate relief of 80%, the Council has discretion to grant up to 20% additional rate relief – Discretionary Rate Relief top up.

3.5 The Council will consider applications for a Discretionary Rate Relief top up from charities based on their own merits, on a case by case basis. However the principal consideration is that the relief is in the best interests of the residents and taxpayers of Oldham and produces a local benefit as the Council must contribute to the cost of each award. As such, top up will be awarded to only the following type of registered charities:

- Scouts, guides, cadets and other clubs/associations for young people;
- Community schemes encompassing organisations providing support for those over the age of retirement, community transport, those based on volunteering and residents associations;
- Organisations providing support in the form of advice, training for employment, counselling;
- Organisations that provide services that address the consequences of ill health and disability;
- Charitable sporting clubs (also see CASCs);
- Locally based leisure and cultural organisations;
- Armed forces veterans associations;

- Locally based charities;
 - Charity shops (operated by either locally based or national charities);
 - Local child care providers registered as charities.
- 3.6 Applications for Discretionary Rate Relief top up must be supported by, and include:
- The applicant organisation's main purposes and objectives, as set out in, for example, a written constitution, a memorandum of association, or set of membership rules;
 - A full set of audited accounts relating to the two years preceding the date of application. Where audited accounts are not available, projected figures should be provided instead;
 - Details of how the organisation meets the criteria outlined in these guidelines.
- 3.7 If an application is received without the necessary supporting information it will result in processing of the application to be delayed.
- 3.8 In the event that supporting information isn't provided within 21 working days of the initial application the application will be considered incomplete and closed.
- 3.9 Applicants will be encouraged to submit their applications through the online Discretionary Rate Relief claim form.
- 3.10 As a guide, for a charity to eligible for Discretionary Rate Relief top up, a charity must not have enough financial resources available in unrestricted funds to continue to operate for more than 12 months, nor should it have sufficient financial resources in unrestricted reserves to continue to operate for more than 12 months, unless a business plan exists detailing how these additional reserves are to be used to benefit the local community.
- 3.11 In exceptional cases, Discretionary Rate Relief top up will be granted to organisations which have enough financial resources in unrestricted funds to continue to operate for more than 12 months. This may include charities or community organisations which require large amounts of available resources to sustain the service they deliver to the community. In such cases, the applicant organisation must be able to prove that it offers a service which the Borough's residents depend on, and which they would be unlikely to find elsewhere in the Borough.
- 3.12 If an organisation in receipt of Discretionary Rate Relief top up ceases to meet the eligibility criteria outlined in this policy, it will cease to receive Discretionary Rate Relief. The Council will give such organisations twelve months written notice prior to the withdrawal of the Discretionary Rate Relief top up.

- 3.13 The Council delegates the decision making power for Discretionary Rate Relief awards to the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits (or equivalent post holders¹).

Each decision will adhere to the following process:

- The initial recommendations to award or refuse a Discretionary Rate Relief top up will be made by the Exchequer Client Manager (Revenues) (or equivalent post holder¹).
 - Before making a recommendation the Exchequer Client Manager (Revenues) may consult with other Council departments as appropriate.
 - Final approval will be sought from the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits. All recommended action will be justified by an explanation supporting the proposed decision.
- 3.14 Any officer or Member involved in the decision-making process for Discretionary rate relief must declare if they have an interest in or association with any organisation which is applying for the relief.
- 3.15 The Non-Domestic Rates team will inform applicants in writing of any decision as soon as possible. This letter will also explain that relief has been granted for twelve months only. A revised Non-Domestic Rates bill will be sent where appropriate.
- 3.16 Unsuccessful applicants will be notified by letter and provided instructions on how they can appeal the decision as set out in Section 12.
- 3.17 The granting of relief will be reviewed annually and those in receipt of Discretionary Rate Relief will be asked to supply or confirm relevant information for the purpose of the review.
- 3.18 The Council recognises that there will be occasions when the applicant body does not appear to satisfy the criteria generally applied but where the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits may choose to award relief. The Council has the ability to depart from its general policy as to granting relief if it sees fit to do so, taking into account the facts of each case and the interests of residents and Council Taxpayers.

¹ These titles are correct at the time of approving this policy but may be subject to change during 2018/19.

4 REGISTERED COMMUNITY AMATEUR SPORTS CLUBS (CASC)

4.1 A mandatory rate relief of 80% is granted to registered community amateur sports Clubs (CASC). To qualify as a CASC, a sports club must fulfil all of the following criteria. It must be

- Open to the whole community;
- Run as an amateur club;
- A non-profit making organisation; and
- Aiming to provide facilities for, and encourage people to take part in, eligible sport.

4.2 In cases where a CASC is in receipt of Mandatory Rate Relief of 80%, the Council has discretion to grant up to 20% additional rate relief as a Discretionary top up.

4.3 The Council will consider applications for a Discretionary Rate Relief top up from CASCs based on their own merits on a case by case basis. The principal consideration is that any relief is in best interests of the residents and taxpayers of Oldham and produces a local benefit as the Council must bear a percentage of the cost of any relief granted. However in determining the application the following matters will be taken in to consideration:

- How the CASC supports and links into the Council's corporate vision and priorities;
- A club should have an open access policy. If a club effectively discriminates by only accepting members who have reached a particular standard, rather than seeking to promote the attainment of excellence by enhancing access and the development of sporting aptitude, then it does not fulfil the requirements;
- Although clubs should be open to all without discrimination, single sex clubs may be permitted where such restrictions are not discriminatory in intent but a genuine result of physical restraints (such as changing room facilities) or the requirements of the sport. In such cases, the organisation will be required to provide proof of such limiting factors;

4.4 If the organisation applying for a Discretionary Rate Relief requires membership or an entry fee, the Council will consider whether:

- membership must be open to everyone, regardless of race, ethnic origin, sex, marital or parental status, sexual orientation, creed, disability, age, religious affiliation or political belief,
- The subscription or fee is set at a level which is not prohibitively high and considered to be affordable by most sections of the community;

- Fee reductions are offered for certain groups such as, for example, under 18s or over 60s;
- Membership is encouraged from groups who face social barriers, such as, for example, young people not in employment, education or training; people above working age; or people with disabilities;
- Facilities are made available to people other than members.

4.5 In making decisions about applications the Council may:

- Grant relief up to a maximum of 100% of the rates due;
- Grant relief for a sum less than 100% of the rates due; or
- Refuse any application for additional relief.

4.6 It should be noted that sports clubs which run a bar are unlikely to be awarded relief if their main purpose is the sale of food or drink. However, if the sale of food or drink by the organisation aids the overall operation and development of the organisation in achieving its objectives, this would be permissible as long as the principal objectives of the organisation meet the eligibility criteria detailed at 4.1. If the bar makes a profit, this profit must be reinvested to support the organisation in achieving its principal objectives. Financial information will be required to evidence any profit and its use.

4.7 Applications for a Discretionary top up must be supported by, and include:

- The applicant organisation's main purposes and objectives, as set out in, for example, a written constitution, a memorandum of association, or set of membership rules;
- A full set of audited accounts relating to the two years preceding the date of application. Where audited accounts are not available, projected figures should be provided instead;
- Details of how the organisation meets the criteria outlined in these guidelines.

4.8 If an application is received without the necessary supporting information it will result in processing of the application to be delayed.

4.9 In the event that supporting information isn't provided within 21 working days of the initial application the application will be considered incomplete and closed.

4.10 Applicants will be encouraged to submit their applications through an online Discretionary Rate Relief claim form.

4.11 As a guide, to be eligible for a Discretionary top up an organisation must not have enough financial resources available in unrestricted funds to continue to operate for more than 12 months, nor should it have sufficient financial resources

in unrestricted reserves to continue to operate for more than 12 months, unless a business plan exists detailing how these additional reserves are to be used to benefit the local community.

- 4.12 In exceptional cases, Discretionary top up will be granted to organisations which have enough financial resources in unrestricted funds to continue to operate for more than 12 months. This may include organisations which require large amounts of available resources to sustain the service they deliver to the community. In such cases, the applicant organisation must be able to prove that it offers a service which the Borough's residents depend on, and which they would be unlikely to find elsewhere in the Borough.
- 4.13 The granting of relief will be reviewed annually and those in receipt of Discretionary top up will be asked to supply or confirm relevant information for the purpose of the review.
- 4.14 If an organisation in receipt of a Discretionary top up ceases to meet the eligibility criteria outlined in this policy, it will cease to receive Discretionary relief. The Council will give such organisations twelve months written notice prior to the withdrawal of a Discretionary top up award.
- 4.15 The Council delegates the decision making power for Discretionary Rate Relief awards to the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits.

Each decision will adhere to the following process:

- The initial recommendations to award or refuse a Discretionary Rate Relief top up will be made by the Exchequer Client Manager (Revenues).
 - Before making a recommendation the Exchequer Client Manager (Revenues) may consult with other Council departments as appropriate.
 - Final approval will be sought from the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits. All recommended action will be justified by an explanation supporting the proposed decision.
- 4.16 Any officer or Member involved in the decision-making process for Discretionary Rate Relief must declare if they have an interest in or association with any organisation which is applying for the relief.
 - 4.17 The Non-Domestic Rates team will inform applicants in writing of any decision as soon as possible. This letter will also explain that relief has been granted for twelve months only. A revised Non-Domestic Rates bill will be sent where appropriate.
 - 4.18 Unsuccessful applicants will be notified by letter and provided instructions on how they can appeal the decision as set out in Section 12.

- 4.19 The granting of relief will be reviewed annually and those in receipt of Discretionary Rate Relief will be asked to supply or confirm relevant information for the purpose of the review.
- 4.20 The Council recognises that there will be occasions when the applicant body does not appear to satisfy the criteria generally applied but where the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits may choose to award relief. The Council has the ability to depart from its general policy as to granting relief if it sees fit to do so, taking into account the facts of each case and the interests of residents and Council Taxpayers.

5 NON-PROFIT MAKING ORGANISATIONS INCLUDING COMMUNITY INTEREST COMPANIES (CIC)

5.1 The Council has the power to grant discretionary rate relief of up to 100% for the rates due to non-profit making organisations. The main objectives of the organisation must be related to:

- Relief of poverty;
- Advancement of religion;
- Advancement of education;
- Social Welfare;
- Science;
- Literature;
- Fine arts; or
- Recreation

Or be otherwise beneficial to the community

An organisation must be able to demonstrate how it:

- meets local needs and benefit local people; and
- provides a valuable service to the community; and
- is open to all sections of the community; and operates in such a way that it does not discriminate against any section of the community; and
- is not conducted or established for the primary purpose of accruing profit.

5.2 The Council will consider applications for a DRR top up from non-profit making organisations based on their own merits, on a case by case basis. However the principal consideration is that the relief is in the best interests of the residents and Council taxpayers of Oldham and produces a local benefit as the Council must contribute to the cost of each award. As such, top up will only be awarded to the following type of non-profit making organisations:

- Scouts, guides, cadets and other clubs/associations for young people;
- Community schemes encompassing organisations providing support for those over the age of retirement, community transport, those based on volunteering and residents associations;
- Organisations providing support in the form of advice, training for employment or counselling;
- Organisations that provide services that address the consequences of ill health and disability;
- Locally based leisure and cultural organisations;
- Armed forces veterans associations.

5.3 If the organisation applying for DRR requires membership or an entry fee, the Council will consider whether:

- Membership must be open to everyone, regardless of race, ethnic origin, sex, marital or parental status, sexual orientation, creed, disability, age, religious affiliation or political belief,
- The subscription or fee is set at a level which is not prohibitively high and considered to be affordable by most sections of the community;
- Fee reductions are offered for certain groups such as, for example, under 18s or over 60s;
- Membership is encouraged from groups who face social barriers, such as, for example, young people not in employment, education or training; people above working age; or people with disabilities;
- Facilities are made available to people other than members.

5.4 In making decisions about applications the Council may:

- Grant relief up to a maximum of 100% of the rates due;
- Grant relief for a sum less than 100% of the rates due; or
- Refuse any application for additional relief.

5.5 Applications for DRR must be supported by, and include:

- The applicant organisation's main purposes and objectives, as set out in, for example, a written constitution, a memorandum of association, or set of membership rules;
- A full set of audited accounts relating to the two years preceding the date of application. Where audited accounts are not available, projected figures should be provided instead;
- Details of how the organisation meets the criteria outlined in these guidelines.

5.6 If an application is received without the necessary supporting information it will result in processing of the application to be delayed.

5.7 In the event that supporting information isn't provided within 21 working days of the initial application the application will be considered incomplete and closed.

5.8 Applicants will be encouraged to submit their applications through an online Discretionary Rate Relief claim form.

- 5.9 As a guide, to be eligible for DRR, a charity/organisation must not have enough financial resources available in unrestricted funds to continue to operate for more than 12 months, nor should it have sufficient financial resources in unrestricted reserves to continue to operate for more than 12 months, unless a business plan exists detailing how these additional reserves are to be used to benefit the local community.
- 5.10 Where the applicant organisation requires membership, at least 50% of the members should reside within the boundaries of the Borough of Oldham (proof of this will be required).
- 5.11 In exceptional cases, DRR will be granted to organisations which have enough financial resources in unrestricted funds to continue to operate for more than 12 months. This may include charities or community organisations which require large amounts of available resources to sustain the service they deliver to the community. In such cases, the applicant organisation must be able to prove that it offers a service which the Borough's residents depend on, and which they would be unlikely to find elsewhere in the Borough.
- 5.12 The granting of relief will be reviewed annually and those in receipt of DRR will be asked to supply or confirm relevant information for the purpose of the review.
- 5.13 If an organisation in receipt of DRR ceases to meet the eligibility criteria outlined in this policy, it will cease to receive DRR. The Council will give such organisations twelve months written notice prior to the withdrawal of DRR.
- 5.14 The Council delegates the decision making power for Discretionary Rate Relief awards to the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits.

Each decision will adhere to the following process:

- The initial recommendations to award or refuse a Discretionary Rate Relief top up will be made by the Exchequer Client Manager (Revenues).
 - Before making a recommendation the Exchequer Client Manager (Revenues) may consult with other Council departments as appropriate.
 - Final approval will be sought from the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits. All recommended action will be justified by an explanation supporting the proposed decision.
- 5.15 Any officer or Member involved in the decision-making process for Discretionary rate relief must declare if they have an interest in or association with any organisation which is applying for the relief.
- 5.16 The Non-Domestic Rates team will inform applicants in writing of any decision as soon as possible. This letter will also explain that relief has been granted for twelve months only. A revised Non-Domestic Rates bill will be sent where appropriate

- 5.17 Unsuccessful applicants will be notified by letter and provided instructions on how they can appeal the decision as set out in section 12.
- 5.18 The granting of relief will be reviewed annually and those in receipt of Discretionary Rate Relief will be asked to supply or confirm relevant information for the purpose of the review.
- 5.19 The Council recognises that there will be occasions when the applicant body does not appear to satisfy the criteria generally applied but where the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits may choose to award relief. The Council has the ability to depart from its general policy as to granting relief if it sees fit to do so, taking into account the facts of each case and the interests of residents and Council Taxpayers.

6 LOCAL CHILD CARE PROVIDERS

6.1 The Council will consider applications for Discretionary Rate Relief (DRR) from local child care providers based on their own merits on a case by case basis. The principal consideration is that any relief is in best interests of the residents and taxpayers of Oldham and produces a local benefit as the Council must bear a percentage of the cost of any relief granted.

- A local child care provider can be in receipt of Mandatory Rate Relief of 80% if it is registered as a charity, in these cases the Council has the discretion to grant up to 20% additional rate relief.
- In cases where a local child care provider is not in receipt of Mandatory Rate Relief the council has the discretion to consider granting an award up to 100% of rate relief.
- If a local childcare provider applies for relief they must not charge fees that would be considered unaffordable by most Oldham residents. The provider must also not restrict attenders with admittance policies that are deemed unfair.
- If a nursery charges unreasonable fees or if they make significant profits that are not reinvested into the business that they are unlikely to be awarded DRR.
- In reviewing an application from a child care provider, there will be consultation with the Early Intervention and Families team to determine if providing relief would meet the aim of supporting local child care provision.

6.2 Applications for Discretionary Rate Relief must be supported by, and include:

- The applicant organisation's main purposes and objectives, as set out in, for example, a written constitution, a memorandum of association, or set of membership rules;
- A full set of audited accounts relating to the two years preceding the date of application. Where audited accounts are not available, projected figures should be provided instead;
- Details of how the organisation meets the criteria outlined in these guidelines.

6.3 If an application is received without the necessary supporting information it will result in processing of the application to be delayed.

6.4 In the event that supporting information isn't provided within 21 working days of the initial application the application will be considered incomplete and closed.

6.5 Applicants will be encouraged to submit their applications through an online Discretionary Rate Relief claim form.

- 6.6 As a guide, to be eligible for DRR, a child care provider must not have enough financial resources available in unrestricted funds to continue to operate for more than 12 months, nor should it have sufficient financial resources in unrestricted reserves to continue to operate for more than 12 months, unless a business plan exists detailing how these additional reserves are to be used to benefit the local community.
- 6.7 The granting of relief will be reviewed annually and those in receipt of DRR will be asked to supply or confirm relevant information for the purpose of the review.
- 6.8 If an organisation in receipt of DRR ceases to meet the eligibility criteria outlined in this policy, it will cease to receive DRR. The Council will give such organisations twelve months written notice prior to the withdrawal of DRR. Such organisations may appeal against this decision, as outlined in Section 14 of this policy.
- 6.9 The Council delegates the decision making power for Discretionary Rate Relief awards to the Cabinet Member for Finance and Human Resources and the Head of Revenues, and Benefits.

Each decision will adhere to the following process:

- The initial recommendations to award or refuse a Discretionary Rate Relief top up will be made by the Exchequer Client Manager (Revenues).
 - Before making a recommendation the Exchequer Client Manager (Revenues) may consult with other Council departments as appropriate.
 - Final approval will be sought from the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits. All recommended action will be justified by an explanation supporting the proposed decision.
- 6.10 Any officer or Member involved in the decision-making process for Discretionary rate relief must declare if they have an interest in or association with any organisation which is applying for the relief.
- 6.11 The Non-Domestic Rates team will inform applicants in writing of any decision as soon as possible. This letter will also explain that relief has been granted for twelve months only. A revised Non-Domestic Rates bill will be sent where appropriate.
- 6.12 Unsuccessful applicants will be notified by letter and provided instructions on how they can appeal the decision as set out in Section 12.
- 6.13 The granting of relief will be reviewed annually and those in receipt of Discretionary Rate Relief will be asked to supply or confirm relevant information for the purpose of the review.

- 6.14 The Council recognises that there will be occasions when the applicant body does not appear to satisfy the criteria generally applied but where the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits may choose to award relief. The Council has the ability to depart from its general policy as to granting relief if it sees fit to do so, taking into account the facts of each case and the interests of residents and Council Taxpayers.

7 RURAL RATE RELIEF

7.1 Organisations or businesses which reside within a designated rural settlement (with a population of 3,000 or less) may be eligible for Discretionary Rural Rate Relief. Eligible organisations/businesses must be located in one of the settlements identified in the Council's rural settlement list, which is reviewed periodically.

- Current areas designated as rural settlements are:

Delph	Denshaw	Diggle	Dobcross
Grasscroft	Grotton	Scouthead	Woodhouses

7.2 Discretionary Rural Rate Relief is open to any type of business within a classified rural settlement that satisfies the following criteria:

- It is the only qualifying village shop or post office with a rateable value of up to £8,500 and already in receipt of mandatory relief of 50%.
- The only qualifying public house or petrol station with a rateable value of up to £12,500 and already in receipt of mandatory relief of 50%
- It is within the boundaries of a qualifying rural settlement;

7.3 The Council also has the discretion to remit all or part of rate bills on other property in a settlement on the rural settlement list if the rateable value is £16,500 or less and is used for a purpose that benefits the local community.

7.4 In the 2016 Autumn Budget the Government confirmed that Rural Rate Relief will be doubled to 100% from 1 April 2017 with the intention to introduce legislation to make the award of the relief mandatory.

7.5 Until the necessary legislation is in place to award 100% Mandatory Rural Rate Relief the Council will use its discretionary powers to award 50% Discretionary Relief to ensure 100% relief is awarded to eligible businesses. Central Government will fully reimburse the Council using a grant under Section 31 of the Local Government Act 2003.

7.6 Whilst the Council is required to use its discretion to top up Rural Rate Relief awards by 50% the Council will continue to grant awards for the period of one financial year at a time.

8 DISCRETIONARY RATE RELIEF USING POWERS CONFERRED BY THE LOCALISM ACT

- 8.1 The Council is now able to grant Non-Domestic Rates discounts entirely as it sees fit within the limits of the primary legislation and European rules on state aid. These powers will generally be used as appropriate to support local shops or community services, but, to align with the regeneration objectives of the Council, any use of such powers will be focused on encouraging new business and investment and the regeneration of the Borough.
- 8.2 Using the general exception from the state aid rule where the aid is below the “de minimis” level, the Council will limit awards to a maximum of €200,000 to any one business over any three year period.
- 8.3 Applications should be supported by, and include:
- A full set of audited accounts relating to the two years preceding the date of application. Where audited accounts are not available, projected figures should be provided instead.
 - Where applications seek rate relief in respect of new business set up etc., information provided should include business plans and other information that demonstrate the regeneration or economic benefit to Oldham.
- 8.4 In reviewing an application from a business requesting Discretionary Rate relief under these powers, there will be consultation with the Council’s Investment Team to determine if providing relief would support the economic objectives of the borough.
- 8.5 Applicants will be signposted to the Council’s Investment team for support prior to an award being considered.
- 8.6 Applicants will be encouraged to submit their applications through the online Discretionary Rate Relief claim form.
- 8.7 If an application is received without the necessary supporting information it will result in processing of the application to be delayed.
- 8.8 In the event that supporting information isn’t provided within 21 working days of the initial application the application will be considered incomplete and closed.
- 8.9 The primary consideration for an award is whether it could be considered reasonable for the Council to fund the granting of relief, with regard to the interests of its residents and Council Tax payers.
- 8.10 An award of Discretionary Rate Relief under powers conferred by the Localism Act will typically be awarded as a temporary measure for one financial year.
- 8.11 The Council delegates the decision making power for Discretionary Rate Relief awards to the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits.

Each decision will adhere to the following process:

- The initial recommendations to award or refuse Discretionary Rate Relief will be made by the Exchequer Client Manager (Revenues).
 - Before making a recommendation the Exchequer Client Manager (Revenues) may consult with other Council departments as appropriate.
 - Final approval will be sought from the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits. All recommended action will be justified by an explanation supporting the proposed decision.
- 8.12 Any officer or Member involved in the decision-making process for Discretionary rate relief must declare if they have an interest in or association with any organisation which is applying for the relief.
- 8.13 The Non-Domestic Rates team will inform applicants in writing of any decision as soon as possible. This letter will also explain that relief has been granted for twelve months only. A revised Non-Domestic Rates bill will be sent where appropriate.
- 8.14 Unsuccessful applicants will be notified by letter and provided instructions on how they can appeal the decision as set out in Section 12.
- 8.15 The granting of relief will be reviewed annually and those in receipt of Discretionary Rate Relief will be asked to supply or confirm relevant information for the purpose of the review.
- 8.16 The Council recognises that there will be occasions when the applicant body does not appear to satisfy the criteria generally applied but where the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits may choose to award relief. The Council has the ability to depart from its general policy as to granting relief if it sees fit to do so, taking into account the facts of each case and the interests of residents and Council Taxpayers.

9 DISCRETIONARY HARDSHIP RELIEF

- 9.1 The Council has the power to reduce or remit the Non-Domestic Rates charged in certain circumstances where the applicant organisation is enduring temporary financial difficulties. This is known as Discretionary 'Hardship' Relief.
- 9.2 The Council may grant Discretionary 'Hardship' Relief (DHR) if it is satisfied that:
- The ratepayer would sustain financial hardship if the Council did not do so; And,
 - It is reasonable for the Council to grant relief, with regard to the interests of its residents and Council Tax payers.
- 9.3 DHR is a temporary measure which should not be used to artificially sustain a failing business. DHR will be awarded where the applicant organisation is facing temporary financial difficulties and where the community would be significantly disadvantaged if the business were to close due to these temporary financial constraints.
- 9.4 Applications for DHR must be accompanied by full set of audited accounts relating to the two years preceding the date of application. Where audited accounts are not available for the current financial year, projected figures should be provided instead. It is recommended that applicant organisations submit audited accounts dating back further than two years, if such information is available.
- 9.5 If an application is received without the necessary financial information it will result in processing of the application to be delayed.
- 9.6 In the event that supporting information isn't provided within 21 working days of the initial application the application will be considered incomplete and closed.
- 9.7 Applicants will be encouraged to submit requests for DHR through the use of an online Discretionary Rate Relief claim form.
- 9.8 DHR is awarded as a temporary measure in accordance with the applicant organisations circumstances and the anticipated length of the financial difficulties. Successful applicants will be sent a letter confirming that their application for DHR has been granted and including the appropriate timeframe for relief.
- 9.9 The Council delegates the decision making power for Discretionary Hardship Relief awards to the Cabinet Member for Finance and Human Resources and the Head of Revenues, and Benefits.

Each decision will adhere to the following process:

- The initial recommendations to award or refuse Discretionary Hardship Relief will be made by the Exchequer Client Manager (Revenues).

- Before making a recommendation the Exchequer Client Manager (Revenues) may consult with other Council departments as appropriate.
 - Final approval will be sought from the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits. All recommended action will be justified by an explanation supporting the proposed decision.
- 9.10 Any officer or Member involved in the decision-making process for Discretionary Hardship relief must declare if they have an interest in or association with any organisation which is applying for the relief.
- 9.11 The Non-Domestic Rates team will inform applicants in writing of any decision as soon as possible. This letter will also explain that relief has been granted for twelve months only. A revised Non-Domestic Rates bill will be sent where appropriate.
- 9.12 Unsuccessful applicants will be notified by letter and provided instructions on how they can appeal the decision as set out in Section 12.
- 9.13 The granting of relief will be reviewed annually and those in receipt of Discretionary Hardship Relief will be asked to supply or confirm relevant information for the purpose of the review.
- 9.14 The Council recognises that there will be occasions when the applicant body does not appear to satisfy the criteria generally applied but where the Cabinet Member for Finance and Human Resources and the Head of Revenues and Benefits may choose to award relief. The Council has the ability to depart from its general policy as to granting relief if it sees fit to do so, taking into account the facts of each case and the interests of residents and Council Taxpayers.

10. SECTION 44A RELIEF (PARTLY OCCUPIED PROPERTIES)

- 10.1 The Council has discretion to consider requests from ratepayers asking that the rateable value of premises that is charged Non-Domestic (business) rates is split between the occupied and temporarily unoccupied portions and that the Council then only charges rates of the occupied portion. This is permitted under Section 44a of the Local Government Finance Act 1988.
- 10.2 The Council has discretion to accept or refuse such a request. If the request is accepted, then the Valuation Office Agency is asked to supply a Certificate indicating the relevant values for the occupied and unoccupied portions and this Certificate is binding to the Council.
- 10.3 The definition of 'temporary period' is not prescribed with the law and therefore Oldham Council has the discretion to decide the period of relief that should be awarded.
- 10.4 The law provides a discretionary power, but the decision whether to exercise that power must be taken before the Valuation Officer's Certificate is requested, as the apportioned values are those upon which the charge must be levied once supplied. The discretionary power does not alter the general rule that occupation of part of a premise constitutes occupation of the whole of the premises.
- 10.5 The effect of the apportioned values applies for the **operative period**, which is defined as the period beginning with the day on which the premises became partly unoccupied and ending with the first day on which one or more of the following events occurs.
- The occupation of any of the unoccupied part of the premises;
 - The ending of the financial year in which the apportionment was required;
 - The requiring of a further apportionment;
 - The complete occupation of the premises; or
 - The complete vacation of the premises.
- 10.6 The Authority is required to terminate this relief in the event of a change in the proportions of the premises occupied and unoccupied or at the end of a financial year, and then may, if appropriate consider requesting the Valuation Officer to issue a further Certificate.
- 10.7 The amount of Rate Relief that is awarded is determined by statute and is calculated by reference to the Rateable Value attributed to the unoccupied area by the Valuation Office Agency, part of Her Majesty's Revenue and Customs (HMRC).
- 10.8 Applications will only be considered in respect of unoccupied parts of a property that can be clearly defined and are reasonably segregated from the occupied part of the property.
- 10.9 The use of Section 44a is intended to apply to those premises where there are practical difficulties in either occupying the premises or vacating the premises. Therefore it is not intended that all premises which temporarily become partly unoccupied should have their liability reduced.

- 10.10 No award shall be made where it appears to the Council that the reason that part of the property is unoccupied is wholly or mainly for the purposes of applying for Rate Relief.
- 10.11 Rate Relief under this section will not be awarded in respect of partly occupied property where the partial occupation of the property may arise due to the ordinary day to day nature of the business (for example the operation of a warehouse).
- 10.12 The period of Relief will not exceed either 3 or 6 months depending on the type of property the claim has been made for, in line with the current legislation for part-occupied properties.
- 10.13 In determining the application favourable consideration will be given (but not limited to) where:
- There is a partial occupation of a warehouse, factory or commercial premises to facilitate relocation of the company into the borough or to extend the current portfolio and associated occupation levels in the borough; or
 - Where fire, flood or other disaster prevents full use of the premises.
- 10.14 Favorable consideration would not normally be given (but not limited to):
- For a period that has now passed;
 - For consecutive periods;
 - To support a business moving its operation outside of the borough;
 - Where the owner sublets part of the premises on a commercial basis;
 - Where the part occupation is likely to continue for more than 3 months (6 months if industrial premises);
 - Where there appears to be no effort to let, sell or occupy the empty part; or
 - Where part occupation is seasonal or cyclical in nature.
- 10.15 At all times consideration will be made for the regulations contained within Section 44a of the Local Government Finance Act 1988 and any relevant case law.
- 10.16 A Ratepayer making an application under Section 44a should do so in writing and should include:
- A plan of the property showing the dimensions of the occupied and unoccupied area of suitable quality to enable the Valuation Office Agency to apportion the Rateable value of the property between the occupied and unoccupied areas. Applications will not be considered until such time as the plan is provided;
 - The period to which the application relates;
 - Contact details in order to inspect the site where necessary.
- 10.17 In considering the application, a visit may be made to the premises to confirm the accuracy of the submitted plan. Independent evidence may also be requested and this may be in the form of surveyors' reports, dated photographs, solicitors' letters and estate or letting agents' records (list not exhaustive).

11 SUPPORTING SMALL BUSINESSES

- 11.1 The Supporting Small Business Relief scheme is available for ratepayers who are losing some or all of their small business rate relief as a result of a large rateable value increase following the 2017 revaluation. The scheme is available for 5 years from 1 April 2017.
- 11.2 The Supporting Small Business relief will ensure that the increase per year in the bills of these ratepayers is limited to the greater of:
- a. A percentage increase per annum of 5%, 7.5%, 10% and 15% in the financial years 2017/18 to 2021/22, all plus inflation. Unlike the transitional relief scheme, for the first year of the scheme the percentage increase is taken against the bill for 31 March 2017 after small business rates relief; or
 - b. A cash value of £600 per year (£50 per month), this cash minimum increase ensures that those ratepayers who paid nothing or very small amounts in 2016/17 after small business rate relief start to pay something in 2017/18.

In the first year of the scheme (2017/18), all ratepayers losing some or all of the small business rate relief or rural rate relief saw the increase in their bill capped at £600. The cash minimum increase is £600 per year thereafter.

12 APPEALS AGAINST DECISIONS

- 12.1 Any organisation requiring a review of a decision may submit a request by email to DiscretionaryRateRelief@oldham.gov.uk
- 12.2 Oldham Council can review a Discretionary Rate Relief, Hardship Relief or Section 44a decision in the event of a dispute or in light of any new information. Final decisions on appeals will be made by the Section 151 Officer (Director of Finance).
- 12.3 If the Ratepayer is further dissatisfied the only remaining route to challenge the decision would be by judicial review in line with Section 138 of the Local Government Act 1988.

13 POLICY REVIEW

- 13.1 The Council will review the Discretionary Rate Relief policy on an annual basis but the Council reserves the right to review and revise the policy at any time as a result of information gained as a result of operating the policy or in response to Government initiatives.
- 13.2 The Cabinet Member for Finance and Human Resources in conjunction with the Director of Finance are authorised by Cabinet to agree any revisions to the policy.

ANNEX A - DISCRETIONARY RATE RELIEF POLICY

TEMPORARY RELIEF UNDER SECTION 47 OF THE LOCAL GOVERNMENT FINANCE ACT ARISING FROM CENTRAL GOVERNMENT POLICY DECISIONS

Business Rates Relief for Local Newspapers

This Annex (based on Government guidance) sets out the detailed criteria to be used to determine business rates relief for local newspapers.

Local Authorities may use their discretionary powers (under section 47(3) of the Local Government Finance Act 1988 to grant relief in line with the eligibility criteria set out in this guidance.

On 16 March 2016 the Chancellor announced at the Budget that the Government will introduce a £1,500 business rates discount for office space occupied by local newspapers, up to a maximum of one discount per local newspaper title and per hereditament, and up to state aid limits, for 2 years from 1 April 2017.

This is a temporary measure to support local newspapers adapt to technological changes within the industry. The relief is intended to be specifically for local newspapers and will be delivered through local authority discretionary discount powers (under Section 47(3) of the Local Government Finance Act. The relief will be limited by state aid rules.

How will the relief be provided?

As this is a temporary relief for 2017-18 and 2018-19, the Government is not changing the legislation around the reliefs available to properties. Instead the Government will reimburse the Council (under section 47(3) of the Local Government Finance Act 1988 to grant relief in line with the eligibility criteria set out in this guidance.

Central Government will reimburse the Council for the actual cost under the rates retention scheme of granting relief that falls within the definitions in this guidance.

Eligibility criteria

The relief will provide: A £1,500 relief for office space occupied by local newspapers up to a maximum of one discount per local newspaper title and per hereditament, for two years from 1 April 2017.

Local Newspapers

The relief is to be specifically for local newspapers and by that would be considered to be a “traditional local newspaper.” The relief will not be available to magazines.

Office Space

The hereditament must be occupied by a local newspaper and wholly or mainly used as office premises for journalists and reporters.

Amount of Relief

The amount of relief is limited to a maximum of one discount: - per newspaper title (e.g. per newspaper name) and per hereditament.

Examples

Two worked examples of how the relief will work are shown below:

- A local newspaper with two offices would be able to claim a discount for only one of them
- An office shared by three separate local newspaper titles would only be eligible for a single discount

The total amount of government-funded relief available for each newspaper title and hereditament for 2017-18 and 2018-19 under this scheme is £1,500. The amount does not vary with rateable value. The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis. The following formula should be used to determine the amount of relief to be granted for a particular hereditament:

$$\text{Amount of relief to be granted} = \text{£1,500} \times \text{A/B}$$

Where:

A is the number of days in the financial year that the hereditament is eligible for relief; and

B is the number of days in the financial year.

The Council may use their discretionary powers in Section 47(3) of the Local Government Finance Act 1988 to offer further discounts outside this scheme (and under the 100% rates retention pilot scheme, 100% of the cost would be locally funded).

State Aid

The relief available is up to state aid de minimis levels for each business entity.

ANNEX B SUPPORT FOR PUBS – ELIGIBILITY CRITERIA

This section describes in principle the Pubs Relief Scheme. The scheme will be available to eligible occupied properties with a rateable value of less than £100,000. The majority of pubs are independently owned or managed and will not be part of chains. Where pubs are part of a chain, relief will be available for each eligible property in the chain, subject to meeting State Aid requirements.

There is no definitive description of a traditional pub or public house in law which could be readily used to determine eligibility. The objective has been to adopt an approach that makes the design and eligibility of the scheme easy to implement in a clear and consistent way, is widely accepted by the industry and which is consistent with the Government's policy intention.

The Government's policy intention is that eligible pubs should:

- be open to the general public
- allow free entry other than when occasional entertainment is provided
- allow drinking without requiring food to be consumed
- permit drinks to be purchased at a bar.

For these purposes, it should exclude:

- restaurants
- cafes
- nightclubs
- hotels
- snack bars
- guesthouses
- boarding houses
- sporting venues
- music venues
- festival sites
- theatres
- museums
- exhibition halls
- cinemas
- concert halls
- casinos

The proposed exclusions in the list above is not intended to be exhaustive and it will be for the Council to determine those cases where eligibility is unclear. The Council already has a good understanding of the licensed premises in the borough and will be able to readily form a view on eligibility in the majority of cases.

The stated intent of the Government policy is that it demonstrates the characteristics that would lead it to be classified as a pub, for example being owned and operated by a brewery. The Council may also consider other methods of classification, such as the planning system and the use classes order to help decide whether a property is a pub or not. However, permission for a particular use class will not necessarily mean that the property meets the definition of a pub.

ANNEX C – DISCRETIONARY REVALUATION RELIEF SCHEME 2018/19

This Local Discretionary Business Rate Relief Scheme will apply for the year 1 April 2018 to 31 March 2019 only.

To qualify for relief a ratepayer must be in occupation of a property with a rateable value of less than £200,000 and must meet the following criteria:

- The ratepayer must have been liable for rates and in continual occupation of the relevant property since before 1st April 2017.
- The property must be occupied.
- The rateable value must be less than £200,000
- There has been an increase in liability before other reliefs are applied of more than 5% of the eligible occupied charge when compared to the 2016/17 Business Rates bill
- The award of relief must comply with EU law on State Aid. It is the responsibility of the Ratepayers to inform the Council if they have received State Aid that exceeds in total €200,000 over a three year period, including any other rates relief (other than exemptions, transitional or mandatory reliefs) being granted for premises other than the one to which the declaration relates, under the De Minimis Regulations EC 1407/2013.

The following businesses will not be eligible for the relief:

- a) Local Authority properties and the wider public sector
- b) Businesses that fall into the following categories
 - i. Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers)
 - ii. Other services (e.g. estate agents, letting agents, employment agencies)
 - iii. Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
 - iv. Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
 - v. Post office sorting office
 - vi. Betting shops
 - vii. Shisha Bars
- c) Non trading rating assessments (e.g. Advertising rights, parking spaces, communication masts, kiosks Car Parking Spaces)
- d) Properties which were not on the rating list at 1 April 2017. (Relief will not apply where properties are entered into the list retrospectively).

The Council will prioritise the following:

- I. Local businesses
- II. Ratepayers occupying lower value properties
- III. Ratepayers facing the most significant increases in bills
- IV. Business facing hardship as a result of the impact of the revaluation
- V. Businesses with employees
- VI. Businesses whose rateable value is not currently the subject of an outstanding appeal with the Valuation Office Agency (VOA)

How the Business Rates Discretionary Business Rate Revaluation Relief will be calculated:

Discretionary business rate relief is calculated after any or all of the following have been applied:

- Exemptions and other reliefs, including pub relief and supporting small business relief.
- Transitional arrangements

Amount of relief

Each award will be considered on a case by case basis up to a maximum of 50% of the difference between the 2016/17 base charge (before the application of any reliefs) and the 2018/19 business rates bill after all other reliefs and exemptions have been applied

The scheme is for 2018/19 only. Future years' allocations will be reconsidered on an annual basis

Where a qualifying ratepayer's 2018/19 rates bill is reduced for any of the following reasons, the amount of their relief will be reduced or removed accordingly:

- A reduction in rateable value in the 2017 rating list
- The provision of a certified value for the 2010 rating list or historical change
- The application of any additional rate relief or exemption
- Vacation and re-occupation of the property
- Any other reason

Oldham's funding allocation is £146k in 2018/19. The Council will not make awards in excess of the relevant grant and decisions will take account of available funding.

Application

Businesses will be invited to apply for the relief. An application form will be made available on the Council's website and businesses that may fit the eligibility criteria will also be contacted directly and asked to apply. Decisions will be made by the Council's Exchequer Client Manager (Revenues). Appeals will be considered by the Director of Finance

Hardship

The Cabinet Member for Finance and Human Resources in conjunction with the Director of Finance are authorised to vary the criteria and application process of the scheme to support businesses facing hardship following the 2017 revaluation to ensure take up of the scheme and to ensure support to businesses in Oldham is maximised.

APPENDIX 2

EIA Ref: Discretionary Rate Relief Policy – 2018/19

Lead Officer:	Adam Parsey
People involved in completing EIA:	Adam Parsey
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	No

General Information

1a	Which service does this project, policy, or proposal relate to?	Discretionary Rate Relief Policy – 2018/19 – Corporate and Commercial Services
1b	What is the project, policy or proposal?	<p>As part of its role in the administration of Non-Domestic Rates (NDR) (more commonly referred to as business rates), the Council has several areas where it can exercise its discretion to provide reductions to the amounts of Non-Domestic Rates that are due to be paid.</p> <p>This policy document outlines the areas of local discretion and the Council's approach to the various awards. This approach has regard to the impact:</p> <ul style="list-style-type: none"> • of granting Discretionary/Hardship Rate Relief on the Council's wider financial position and Council tax payers; • on the organisations and businesses that currently receive or may apply for relief in the future; • for Oldham residents if relief is awarded and the regeneration benefits to the borough
1c	What are the main aims of the project, policy or proposal?	The policy aims to ensure that there is an equitable approach to the consideration of applications for Discretionary/Hardship Rate Relief by setting out a transparent guidance.

1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?	It is not considered that the application of the policy will have a detrimental impact. The amendment to the policy will benefit those who are now eligible for the award of a relief.
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1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
		<input type="checkbox"/>	<input type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	None Minimal / Significant
	<input checked="" type="checkbox"/> / <input type="checkbox"/>
	None

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
1h	How have you come to this decision?	<ul style="list-style-type: none"> Current recipients of Discretionary Rate Relief and Discretionary Hardship Relief will be unaffected by the proposed changes.
1i	Review date	January 2019