**POLICY AND RESOURCES COMMITTEE**

**27 February 2017**

**PART I - DELEGATED**

**11. DISCRETIONARY RATE RELIEF APPEAL – BURY LAKE YOUNG MARINERS**

**(DoF)**

1. **Introduction**
   1. All businesses are required to pay National Non-Domestic Rates (NNDR), however organisations that are registered as Charities or Community Amateur Sport Clubs (CASC) automatically receive 80% mandatory rate relief. The Council can award up to an additional 20% ‘top up’ to the mandatory relief or in cases of not for profit organisations up to 100% discretionary rate relief.
   2. There is no automatic right for Charities or CASC organisations to receive the 20% discretionary rate relief organisations must meet the criteria set out in our policy.
2. **Background**
   1. All reliefs should be reviewed on a regular basis to ensure that they are still relevant. All businesses were written to in March 2015 advising them they would have to re-apply for Discretionary Rate Relief for the financial year 2016/17.
   2. Initial applications are determined by the Revenues Manager and if the decision made is not to grant the additional 20% ‘top up’ organisations were advised of how to appeal. Each application is reviewed based on its own merits and the decision making process takes into account:

* The ability of the organisations to pay the remaining NNDR, based on reserves held in unrestricted funds (restricted funds are wholly disregarded);
* What the level of reserves are – a good organisation should have a minimum of 3 months’ running costs in reserve;
* What special commitments may be being accrued for specified projects (e.g. replacement of a minibus, one-off repairs to a building), but excluding normal running costs;
* Whether the service provided is unique within the area;
* Whether the organisation has considered applying for Charitable or CASC status.
  1. Taking all the above into account, consideration is also given as to whether payment of the outstanding balance would cause harm or operational difficulties to the organisation.

1. **Appeal by Bury Lake Young Mariners Ltd** 
   1. Bury Lake Young Mariners Ltd previously received 20% ‘top up’ to their mandatory relief from 1 April 1990 in respect of the Aquadrome Boathouse and Premises. There has been an additional assessment since 1 April 2010 when they took up occupation of additional premises. Attached to this report are:

* Discretionary Rates Policy
* Copies of the accounts submitted
* Letters issued
* Refusal letter(s)
* Appeal correspondence

The 2016/17 NNDR liability for both premises is as follows:

|  |  |
| --- | --- |
| Full NNDR payable 2016/17 | £3,826.90 |
| 80% Mandatory rate relief | £3,061.52 |
| NNDR left to pay | £765.38 |

|  |  |
| --- | --- |
| Full NNDR payable 2016/17 | £844.90 |
| 80% Mandatory rate relief | £675.92 |
| NNDR left to pay | £168.98 |

Their accounts supplied show the following:

|  |  |
| --- | --- |
| Balance Sheet reserves (unrestricted funds) as at 31/03/16 | £594,277 |

* 1. It is the Officer’s recommendation that, given the current level of reserves held, Bury Lake Young Mariners Ltd have sufficient reserves to pay their business rates without causing them operational difficulties.
  2. Representations were made by a representative from Bury Lake Young Mariners, at Policy & Resources committee on 23 January 2017 that letters issued by Three Rivers District Council had not been received.
  3. Evidence is supplied in the appendices of all letters that were issued for both Bury Lake Young Mariners business rate accounts.

1. **Decision options**
   1. Members of the Policy and Resources Committee are entitled to make their own assessment. In doing so, they should be mindful that any decisions must be transparent, fair, and equitable. Other organisations are entitled to make Freedom of Information requests and reasons should be given as to why a decision has been made.
2. **Options available** 
   1. Members can make any of the following decisions:

* Not uphold the appeal.
* Award the full 20% top-up relief as requested;
* Award a lower percentage top-up relief;
  1. Members should also confirm if the award is made, whether it is for 1 year or longer. It is recommended that discretionary rate reliefs are reviewed annually. Where an award is not given, the organisation can make a new application for each new financial year, as their circumstances may change.

Report prepared by Nick Smith

Data checked by Joanne Wagstaffe and Jude Green

**Background Papers/Appendices**

Appendix 1 - Discretionary Rates Policy

Appendix 2 - Accounts

Appendix 3 - Letters Issued

Appendix 4 - Refusal letter

Appendix 5 - Appeal letters