**POLICY AND RESOURCES COMMITTEE - 8 NOVEMBER 2016**

**PART I - DELEGATED**

**11. DISCRETIONARY RATES RELIEF APPEAL – RICKMANSWORTH SAILING CLUB**

1. **Introduction**

1.1 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. This 80% is fully funded by the Government. The Council is entitled to award up to an additional 20% discretionary rate relief. Of this element, 50% is funded by the Government and 50% by the Council.

1.2 There is no automatic right for Charities or CASC organisations to receive the 20% discretionary rate relief – if this was the case, then the Government would automatically award 100% mandatory rate relief.

* 1. Organisations that are not appropriately registered can apply for up to 100% discretionary rate relief. The Government funds 50% of these awards, the Council the other 50%.
	2. In addition, any business can apply for rate relief on the grounds of hardship. The Government funds 50% of these awards, the Council the other 50%.
1. **Background**
	1. All rate reliefs should be reviewed on a regular basis to ensure that reliefs are still relevant.
	2. All businesses were written to in March 2015 advising them they would have to re-apply for rates relief for the financial year 2016/17.
	3. The initial application was determined by the Revenues Manager and if the decision was not to grant the additional 20% relief grounds for appeal were given. Each application has been reviewed on its’ own merits and 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 well-run organisation should have a minimum of three months running costs in reserve
* What special commitments reserves may be accrued for (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 to Charitable or CASC status
	1. Having reviewed all these elements consideration was also given as to whether payment of the remaining NNDR would cause harm or operational difficulties to the organisation
1. **Grounds of appeal by Rickmansworth Sailing Club**
	1. Rickmansworth Sailing Club has been in receipt of 100% discretionary rate relief since 1April 2009, for their sailing club and premises. Attached to this report are
* Copies of the accounts submitted
* Refusal letter(s) including a recommendation to apply for CASC (Community Amateur Sports Club) status
* Appeal correspondence
	1. The 2016/17 NNDR liability for both premises is as follows:

|  |  |
| --- | --- |
| Full NNDR payable 2016/17 | £4,436.67 |
| 80% Mandatory rate relief | N/A |
| 100% NNDR left to pay | £4,436.67 |

* 1. Their accounts supplied show the following:

|  |  |
| --- | --- |
| Balance Sheet reserves (unrestricted funds) as at 30/06/15 | £31,733.00 |

* 1. It is the Officer recommendation that given the current level of reserves held that Rickmansworth Sailing Club have sufficient reserves to pay their business rates without causing them operational difficulties.
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. **Recommendations**

5.1Members are asked to recommend one of the following:

* Not uphold the appeal.
* Award the full 20% of discretionary rate relief for one year or longer or;
* Award a % of the discretionary rate relief remaining for one year or longer or;

 Report prepared by Nick Smith

 Data checked by Joanne Wagstaffe and Jude Green

**Background Papers**

Appendix 1 - Discretionary Rates Policy

Appendix 2 - Accounts

Appendix 3 - Refusal letter

Appendix 4 - Appeal letter