

# Business Rates Discretionary Rate Relief Policy

## Introduction

1.1 The Local Government Finance Act 1988 sets out conditions for reducing the Business Rates burden on charities, community organisations that are not established or conducted for profit, and recreational clubs.

1.2 The categories of rate relief covered by this policy are:

- Charitable rate relief (for properties used wholly or mainly for charitable purposes, and occupied by a registered charity, or for registered Community Amateur Sports Clubs)
- Community and voluntary sector rate relief (property used by a club or organisation for the purposes of recreation, or otherwise occupied by an organisation for a non-profit making or charitable purpose, or for social welfare, education, science, literature or fine arts)

1.3 This policy shall take effect from 12 July 2018.

## Purpose of charitable and community and voluntary sector rate relief

2.1 The remit of this policy is to provide rate relief to community based organisations who add social value to the city.

2.2 Social value is a way of thinking about how scarce resources are allocated and used. It involves looking beyond the individual commitment of funding or in this case, an award of relief, and considers the resulting collective social, economic and environmental benefit to a community. It prioritises the overall value of outcomes, rather than focusing on bottom line costs.

## Decision-making process

3.1 The amount set aside for the discretionary element of rate relief shall be decided by the Head of Revenues and Benefits in conjunction with the Finance department, as part of the council's overall Business Rate Retention forecast. The spending of relief will be administered and monitored by the Revenues and Benefits managers.

3.2 Upon receiving an application for relief, a Revenues Team Leader (usually the Business Rates Team Leader) will make a decision about whether the applicant is entitled to relief. The applicant will be notified of the decision in writing.

3.3 If the applicant disagrees with the decision, they can appeal the decision.

3.4 The original decision will be reviewed by a Revenues and Benefits manager and the appellant will be notified of the outcome.

3.5 There will be no further right of appeal.

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## Criteria outline

- 4.1 There are preset legal criteria for whether an organisation receives a mandatory 80% reduction of their bill, before we consider discretion. These criteria are outlined in paragraphs 5.1 to 5.5.
- 4.2 The local authority can use its discretion to top up the remaining 20% on those cases, or to top up the full amount from 0-100% for other qualifying organisations as defined in paragraphs 6.1.
- 4.3 The fund for discretionary rate relief is cash limited and as such, not all applicants will be successful.
- 4.4 The ratepayer must supply evidence reasonably requested by Brighton and Hove City Council during the application process, otherwise the application may fail.
- 4.5 The criteria for the discretionary part of the decision is outlined in section 7.

## Legal criteria for an 80% non-discretionary reduction

5.1 The following legal criteria must be met to qualify for 80% charitable rate relief on a property:

### 5.2 Charities

- Property used wholly or mainly for charitable purposes *and*
- Occupied by an institution/organisation established for
  - i) Charitable purposes only *or*
  - ii) Occupied by any persons administering a trust established for charitable purposes only

### 5.3 Community Amateur Sports Clubs (CASC)

- Ratepayer is a registered Community Amateur Sports Club *and*
- Property used wholly or mainly for the purposes of that club and other such registered clubs

5.4 If the above criteria are met in either category, 80% mandatory rate relief must be awarded. Funding for this part of relief is not part of the discretionary fund.

5.5 The Local Authority may use its discretion to award up to a further 20% on top so that the combined value is a maximum 100% rate relief.

## Legal criteria for other organisations to access discretionary relief

6.1 If an organisation does not qualify for an 80% automatic reduction, it may still be considered for discretionary rate relief if the property it occupies meets the following legal requirements:

- All or part of the property is occupied by organisation/s which are not established or conducted for profit *and*
- The property is used for charitable, philanthropic or religious purposes, or concerned with education, social welfare, science, literature or the fine arts, *or*

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- The property is used for recreational purposes by a club, society or other organisation that is not established or conducted for profit

## Discretionary Criteria

- 7.1 The organisation must provide social value and this will be the first consideration in making a decision. The council's website contains [information and guidance about identifying social value](#). A table of examples appears in the [Brighton and Hove Social Value Framework](#), and is reproduced at the end of this policy.
- 7.2 In considering the following criteria, all factors will be taken into account but no one factor will be solely determinative of the final decision.
- 7.3 The financial health of the organisation will be taken into account, including its assets, uncommitted reserves and general ability to pay. It is expected that the organisation should show some capability of helping itself by having a robust fund raising / income generation strategy that would under normal circumstances sustain it.
- 7.4 The future prospects for survival or continuation / expansion will be taken into account. If an award is unlikely to make a positive impact on these prospects, it may not be in the interests of local taxpayers to support the application.
- 7.5 Faith, religious or ethically based groups will be excluded if they are solely promoting that faith, religion or belief.
- 7.6 Consideration will be given to the proportion of members / users who are Brighton & Hove City Council residents and this may affect the amount of the award.
- 7.7 The organisation should operate robust Equalities policies or practices.
- 7.8 In the case of organisations that are not set up as charities or CASCs, they must have a constitution and a democratic decision-making process governing the organisation.

## Amount of award

- 8.1 A maximum award of £8,000 per organisation per annum shall apply. Against a limited budget, this represents a significant percentage of the council's overall spending on discretionary rate relief.
- 8.2 The principle of discretion underlies this policy and so the Revenues Team Leader may decide to award an additional amount above the maximum award, where the interests of local taxpayers outweigh the loss of additional funding available to other applicants across the city.

## Duration of award

- 8.1 Awards of Rate Relief may be for any duration, as is appropriate for the individual application, but the minimum period will be until the end of the financial year in which the organisation has applied, or until they vacate the property.
- 8.2 In advance of each new financial year, the Local Authority will invite the organisations in receipt of rate relief to complete a review application process, and a fresh decision will be made for the following year.

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Table of Social Value outcomes – from the [Brighton and Hove Social Value Framework](#)

Sustainable Communities Strategy Outcomes	Health and Wellbeing Strategy Outcomes	Examples of Specific Outputs offered by providers or services
<p><b>Economy</b></p> <ul style="list-style-type: none"> <li>• Sustain our ability to attract investment and growth.</li> <li>• Work in ways that are new, collaborative, and exploit our assets.</li> <li>• Use the interdependent relationships of our city region to give us the combined clout of a broader reach, louder voice, and potential to move away from traditional funding arrangements.</li> <li>• Consider new economic models that determine more carefully and transparently the use of public money, and demonstrate how we better connect between the various sectors and benefit from their co-operation.</li> </ul>		<ul style="list-style-type: none"> <li>• Create and support apprenticeships/ work placements/work experience and vocational opportunities in the city</li> <li>• Offer work based learning opportunities with qualification and chance to work with a large firm so as to give work experience</li> <li>• Support people back to work by providing career mentoring, CV advice, mock interviews, career advice and guidance (including 50+ and/or school and college students)</li> <li>• Supporting young people into work through employability support (schools and colleges)</li> <li>• Creating employment that pays a living wage Create opportunities for disadvantaged people including long term unemployed, ex-offenders and people with disabilities</li> <li>• A business supporting their employed staff to undertake maths and English courses and/or learn technical English to support their profession</li> <li>• Increase number of people employed in the construction of houses.</li> <li>• Business to business skill support</li> <li>• Offer accredited or recognised qualifications</li> <li>• Provide opportunities for the local business and/or voluntary and community sector to become part of the supply chain</li> <li>• Number of contacts with social enterprise</li> </ul>
	<p><b>Reducing Inequalities Tackling the broader determinants of health:</b></p> <ul style="list-style-type: none"> <li>• Supporting local people to have a home, a job/role, and a social network.</li> <li>• Promoting financial inclusion</li> <li>• Increase access to healthy, sustainable, affordable food</li> </ul>	<ul style="list-style-type: none"> <li>• Creation of healthy workplace schemes</li> <li>• Support prevention by running education and publicity campaigns with specific targets (e.g. support x number of staff / residents / service users to stop smoking / increase their physical activity / access money advice / achieve a healthy weight)</li> <li>• Support more people to manage their finances effectively by increasing the number of residents who</li> </ul>

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	<p><b>Fair and effective use of services</b></p> <ul style="list-style-type: none"> <li>• We will reduce the gap in life expectancy through ensuring that the greatest use of health improvement and treatment services is by people with the greatest needs.</li> </ul>	<p>save with a bank/credit union or building society</p> <ul style="list-style-type: none"> <li>• Increase rates of pay for lowest-paid staff by x%</li> <li>• Attract inward investment into the city (Amount of new money invested in the city)</li> <li>• Delivery of Meet the Buyer/supplier Events</li> <li>• Percentage overall spend disinvested from acute interventions and reinvested in prevention</li> </ul> <p>Reduction in service users who are experiencing food poverty</p>
<p><b>Children and Young People</b></p> <ul style="list-style-type: none"> <li>• Address the growing inequalities within the city. Gaps in attainment dependent on where people come from or where they live are unacceptable.</li> <li>• Make stronger the connections between our schools and the job market, especially within digital sectors and emerging technologies.</li> <li>• Childhood free of stress, an adolescence appropriately guided and a well-managed entry into employment should be the norm.</li> </ul>	<p><b>Safe, Healthy, Happy Children, Young People and Families</b></p> <ul style="list-style-type: none"> <li>• To give every child the best start in life and to reduce inequalities.</li> <li>• To provide effective 'Early Help' for families facing multiple disadvantage that reduces the need for specialist social care and health services.</li> <li>• To provide high quality integrated support for children and young adults with complex education, health and care needs from 0-25 years and their families</li> <li>• To improve emotional health and wellbeing and mental health and wellbeing of children and young people.</li> <li>• To reduce childhood / family obesity</li> <li>• To ensure all our children and young people are safe.</li> </ul>	<p><b>Fewer children in local authority care</b></p> <ul style="list-style-type: none"> <li>• A business developing a scheme integrate young parents and their children into the local areas by supporting their activity with the profits generated from the business activity</li> <li>• Helping to safeguard University/College by allowing them to take taxis back to their accommodation even when they don't have any cash by accepting their Student Union Membership Card as guarantee of payment</li> <li>• A business who partners with a children and families' charity to support them both financially and with human resources to support the work of the charity</li> <li>• A project that as well as fulfilling main agreement also offers an arts project at weekends supporting disabled children and their siblings.</li> <li>• Running a project that promotes fitness and wellbeing that invests profits into community outreach programmes including dance classes for older people and healthy eating programmes for obese children. Surpluses subsidise gym memberships for families on low incomes.</li> <li>• Reduce average sickness absence by x% through an improved health, wellbeing and support package for staff</li> </ul>

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		<p>Business supports a voluntary organisation through their sponsorship process and uses some preventative messages linked to the charity to promote a health related message or activity</p>
<p><b>Health &amp; Wellbeing</b></p> <ul style="list-style-type: none"> <li>We will work collaboratively with public, private and voluntary care providers to meet the needs of the population in as innovative, effective and efficient way as possible.</li> <li>We will ensure that we maximise the use of our housing stock to provide a sound basis for delivering health, care and support services to our more vulnerable citizens.</li> <li>We will continue to strive to ensure that our support is well directed and effectively delivered.</li> <li>We will improve access to and consumption of fresh, healthy food in order to support better mental and physical health and a local food economy.</li> <li>Public Organisations have healthy, ethical and environmentally responsible food procurement policies and practices (Aim 4 of food strategy);</li> </ul> <p>Better access to nutritious, affordable, sustainable food (Aim 2).</p>	<p><b>Give Every Person the Chance of Living and Ageing Well</b>  <b>Support older people to choose healthy lifestyles:</b></p> <ul style="list-style-type: none"> <li>Reduce the number of older people falling</li> <li>Make the city a great place to grow older.</li> </ul> <p><b>Reduce loneliness and isolation</b>  <b>People are supported to live independently at home:</b></p> <ul style="list-style-type: none"> <li>Access to services that enable recovery from illness and promote independence.</li> </ul> <p>Support for Carers.  <b>Providing Better Care through Integrated Services</b></p> <ul style="list-style-type: none"> <li>Proactively finding people who are frail or at risk of losing their independence.</li> <li>Providing more joined up care through integrated services.</li> <li>Make better use of public funds by integrating budgets for best effect.</li> </ul> <p>Ensure services are resilient and sustainable.</p>	<ul style="list-style-type: none"> <li>Employing a percentage of people recovering from an illness with appropriate support as part of the contract.</li> <li>Create an environment that promotes opportunities for people to disclose their experience of domestic abuse and sexual violence or other Violence against Women and Girls (VAWG) crime types</li> <li>Identify all staff who are carers and ensure flexible working practices are implemented to support these responsibilities within x weeks of contract start date</li> <li>Embedding developments with affordable rents as part of regeneration and or incentives that enable affordable housing</li> <li>As well as supporting a care home the surplus is used to support a befriending scheme that takes people out to places of interest</li> <li>A business partner who provides support (financial or human resource) for projects that use food to reduce social isolation</li> <li>Increased opportunities for people to eat together and increase in the number of people accessing shared meal projects</li> <li>% overall spend disinvested from acute interventions and reinvested in prevention</li> <li>Embed integrated care pathways for referring (externally or internally) victim/survivors, their children and perpetrators of domestic abuse and sexual violence or other Violence against Women and Girls (VAWG) crime types to appropriate local and national services</li> </ul>
	<p><b>Develop Healthy and Sustainable Communities and Neighbourhoods</b></p>	<ul style="list-style-type: none"> <li>Improve integrated opportunities between older and</li> </ul>

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	<p><b>Improve the safety and accessibility of local communities:</b></p> <ul style="list-style-type: none"> <li>• An age friendly city accessible for all from the very youngest to the very oldest.</li> <li>• A tolerant and cohesive city, safe from crime, disorder and discrimination.</li> </ul> <p><b>Ensure the city has a range of quality housing and support to suit households' needs:</b></p> <ul style="list-style-type: none"> <li>• Enable the development of new housing.</li> <li>• Improve the quality of the city's existing and new housing stock.</li> <li>• Improve Housing Support to enable households to sustain or move towards independence.</li> <li>• We will ensure that we maximise the use of our housing stock to provide a sound basis for delivering health, care and support services to our more vulnerable citizens.</li> </ul>	<p>younger people through projects that mentor and or provide learning opportunities for all</p> <ul style="list-style-type: none"> <li>• Increase local people employed in the construction of houses</li> <li>• Evidence improved energy efficiency and use of renewable and sustainable resources in house building</li> <li>• Evidence of adequate cooking and food storage facilities for all</li> <li>• Evidence that accommodation for single people includes a fridge freezer</li> <li>• Work with community and voluntary organisations to create x number of new volunteering opportunities in the city</li> <li>• Ensure staff and/or volunteers have access to appropriate training to enable them to 'Ask and Act' about domestic abuse and sexual violence or other Violence against Women and Girls (VAWG) crime types (specifically that staff have a basic understanding of the dynamics of these crime types, are able to respond to a disclosure of sensitively and access a referral pathway to facilitate referrals to appropriate local and national services)</li> <li>• Having initiatives built into delivery for staff and volunteers that prevent bullying, sexual exploitation of people</li> <li>• Have initiatives to ensure that the service is able to manage staff / volunteers appropriately if they are a victim/survivor or perpetrator of domestic abuse and sexual violence or other Violence against Women and Girls (VAWG) crime types</li> <li>• Develop time banking opportunities</li> <li>• Create Employer volunteering schemes</li> </ul>
<p><b>Community Safety &amp; Resilience</b></p> <ul style="list-style-type: none"> <li>• We will continue to strive to make our roads and travel systems as safe as possible for all of our residents and visitors.</li> <li>• To improve community safety the police</li> </ul>	<p><b>Improve community resilience and sustainability:</b></p> <ul style="list-style-type: none"> <li>• Infrastructure, sports, leisure and recreation meets the needs of local people</li> <li>• Improve Community Development &amp; Engagement.</li> </ul>	<ul style="list-style-type: none"> <li>• Contribute x number of hours of business planning support / financial advice / legal advice / HR advice to community and voluntary organisations through an Employer-Supported Volunteering scheme</li> <li>• Provide facilities for use by community and voluntary organisations for x number of hours per year</li> </ul>

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<p>work with the local authority, probation services, voluntary organisations and others.</p>	<ul style="list-style-type: none"> <li>• Help the Community &amp; Voluntary Sector (Third Sector) support residents and local communities</li> </ul>	<ul style="list-style-type: none"> <li>• Support local third sector organisations through the supply chain by spending x% of total expenditure</li> </ul>
<p><b>Environmental Sustainability</b></p> <ul style="list-style-type: none"> <li>• Tackle fuel poverty, significantly reduce our carbon footprint and improve our air quality.</li> <li>• Offer services with fewer resources and better connect between the various sectors that deliver them, and benefit from their co-operation.</li> <li>• Use the Biosphere Reserve to strengthen the quality of our local environment and enable better partnership working</li> </ul>		<ul style="list-style-type: none"> <li>• Specify energy efficient solutions during the commissioning and procuring process to protect natural resources</li> <li>• Demonstrate Commitment to Environmental projects</li> <li>• Amount of green space available</li> <li>• Improve the use of food growing as part of the initiatives that mutually benefit the environment and people</li> <li>• Improve access to healthy food sourced locally and reduce food waste</li> <li>• Number of food sustainability accreditations achieved (eg MSC certified fish, Food for Life Standard, Sugar Smart, Healthy Choice Award Gold)</li> <li>• Increase access to fair trade goods</li> <li>• Specify x% of bio-degradable packaging will reduce landfill costs and fly tipping</li> <li>• Improve the approach to reuse waste and reduce waste products by X%</li> <li>• Reduce the amount of waste generated by x% compared to previous contract</li> <li>• Reduce the amount of waste sent to landfill</li> <li>• Reduce carbon footprint of business</li> <li>• Reduce overall energy consumption / water consumption by x% per year</li> <li>• Evidence that highways and transport suppliers work with voluntary and community organisations via contracting/sub-contracting arrangements</li> <li>• Increase the use of renewable energy / community-generated renewable energy as a proportion of total energy consumption by x% over the lifetime of the contract (without increasing overall energy consumption)</li> <li>• Support x number of households to better manage their energy demands through improvements in the fabric of their homes, bringing them out of fuel poverty and contributing to climate change goals</li> </ul>

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		<ul style="list-style-type: none"><li>• Number of natural spaces/heritage sites protected</li><li>• Certification to Environmental Management System Standards or evidence of equivalent environmental management systems, for example an environmental policy in place</li><li>• Number of derelict or brown filed sites cleaned up</li><li>• Number of wildlife/plant species protected</li><li>• Number of Bee hives/bird boxes/ponds introduced</li><li>• Number of play/recreation areas created</li></ul>
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