

CANNOCK CHASE COUNCIL
MINUTES OF THE MEETING OF THE
RATE RELIEF COMMITTEE
WEDNESDAY, 27 JUNE, 2013 AT 4.00 PM
IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK
PART 1

PRESENT: Councillors

Pearson, A. (Chairman)
Kraujalis, J. T. (Vice-Chairman)

Alcott, G.	Grocott, M.R.
Bottomer, B.	Rowley, J.
Gilbert, P.	

1. Apologies

No apologies for absence were received.

2. Declarations of Interests of Members in Contracts and Other Matters and Restriction on Voting by Members

The following Declaration of Interest was made in addition to those already confirmed by Members in the Register of Members' Interests:-

<u>Member</u>	<u>Nature of Interest</u>	<u>Type</u>
Kraujalis, J.T.	Rate Relief Framework from 2014 – Trustee of Bridgtown Community Centre	Personal

3. Minutes

RESOLVED:

That the Minutes of the meeting held on 24 April, 2013 be approved as a correct record.

4. National Non-Domestic Rates – Charitable Relief

Consideration was given to the Report of the Head of Finance (Enclosure 4.1 – 4.8 of the Official Minutes of the Council).

Prior to consideration of the applications Members sought confirmation of the amount of money that had been allocated in the budget this year for awarding Discretionary

Rate Relief. The Local Taxation and Benefits Manager confirmed that there was no fixed budget this year for Discretionary Rate Relief. Cabinet had resolved that as from 1 April, 2013 the Rate Relief Committee should apply the same rules and considerations as in previous years and grant rate relief in line the framework approved by Cabinet. Members expressed concern and considered they would prefer the Committee to have a fixed budget. The Local Taxation and Benefits Manager confirmed that he would advise Cabinet of the Committee's concerns.

RESOLVED:

That the action of the Head of Finance in awarding Mandatory Rate Relief as set out below be noted and that the amount of Discretionary Relief be awarded as follows:-

- (i) Moorhill Primary School, Pye Green Road, Cannock and Moorland Road, Cannock

That 80% Mandatory Rate Relief be granted in respect of the above premises for the period 1 April, 2012 to 31 March, 2013 and for one year with effect from 1 April, 2013.

- (ii) Barnardo's, Unit 2 Chase Gateway, Victoria Street, Hednesford

That 80% Mandatory Rate Relief and 5% Discretionary Rate Relief be granted in respect of the above premises for the period 14 January, 2013 to 31 March, 2013 and for one year with effect from 1 April, 2013.

- (iii) Newlife Trading Ltd., Units 13 & 14 Beechwood Business Park, Burdock Close, Hemlock Way, Heath Hayes

That 80% Mandatory Rate Relief be granted in respect of the above premises for the period 20 December, 2012 to 31 March, 2013 and for one year with effect from 1 April, 2013 and that the application for Discretionary Rate Relief be refused on the grounds that it is inappropriate for one charity to receive such a disproportionate percentage of the overall budget.

5. Rate Relief Framework from 2014

Consideration was given to the Report of the Head of Finance (Enclosure 5.1 – 5.4 of the Official Minutes of the Council).

The Local Taxation and Benefits Manager advised that as from 1 April, 2014 Cabinet had resolved that applications for relief would be determined by officers, in discussion with the appropriate Portfolio Leader, but based on a framework determined by Members.

Members were asked to consider whether there were any changes they would wish to incorporate into the framework in order that detailed costings could be established and the Council's policy formulated.

He suggested that the Committee could include within the new framework the

issues detailed on Enclosure 5.2 of the report (Paragraphs 5.3.1 to 5.3.6). Members gave consideration to these and the following views were expressed:-

With regard to large organisations and whether to restrict the amount of relief available to organisations who had considerable reserves, the Committee asked for a breakdown of what had been awarded over the last few years. The Local Taxation and Benefits Manager agreed to provide further information on this at the next meeting.

The Committee discussed whether criteria should be applied if the use of a property was of direct benefit to residents of Cannock Chase area. It was considered that if the premises of a local charity had a local connection it would be looked at more favourably.

Members discussed charity shops that sold new goods in addition to donated goods. These charity shops were granted rate relief; however, some were competing with other shops in the town centre who did not benefit from rate relief. Members considered setting a limit on the percentage of new goods that a charity shop could sell. However, it was noted that it would be difficult to monitor this and considered that the framework should address this issue and the criteria should only offer relief to charity shops who sell a certain proportion of donated goods.

The Committee discussed Working Men's Club and noted that the current framework supported Working Men's Clubs where education and recreational facilities were provided. In line with this the Committee considered that Working Men's Clubs with recreational facilities would be supported in the new framework. Additionally, those that offered services to the community would also be supported.

The Local Taxation and Benefits Manager then asked the Committee to consider whether they wished to exclude anything from the current framework or whether there was anything they wished to include in the new framework.

Members considered that discretionary relief should be granted to profit making organisations that allowed a charity free use of the premises. However, it was agreed that that a percentage of use should be considered.

Members also considered that discretionary relief should be granted to an organisation that allowed a charity to use part of their building (this should be proportionately based).

Members were asked to refer to the table which summarised the levels of Business Rate Relief awarded to various categories of hereditament. Members noted that community groups and centres were currently allowed 5% Discretionary Relief. However, a Member commented that a number of Community Centres now allowed their premises to be hired at a reduced rate by profit making Nurseries. The room was therefore not available to be hired by a member of the community as the Nursery had already booked it. The Local Taxation and Benefits Manager confirmed that there was currently a mechanism

in place to review this in the current policy. Community Centres should be available for use by the community and if they were being used by a profit making Nursery for a large proportion of the time they were therefore not available for hire by the community. In view of the concern raised he therefore explained that the current framework would be reviewed.

RESOLVED:

- (A) That the contents of the report be noted.
- (B) That the issues raised by Members as detailed above be noted and the Local Taxation and Benefits Manager incorporate these into a draft policy and framework which would be adopted later in the year.
- (C) That with regard to organisations who had considerable reserves further information be provided at the next meeting, including a breakdown of what had been awarded over the last few years.
- (D) That the current framework be reviewed to address the issue of Community Centres hiring rooms to profit making nurseries at a reduced rate and thereby preventing the local community from hiring out the room.

CHAIRMAN

(The meeting closed at 5.05 pm)