



WEST OXFORDSHIRE  
DISTRICT COUNCIL

## WEST OXFORDSHIRE DISTRICT COUNCIL

Name and Date of Committee	EXECUTIVE – 17 JANUARY 2024
Subject	<b>BUSINESS RATES DISCRETIONARY RATE RELIEF RECONSIDERATION</b>
Wards Affected	Carterton South
Accountable Member	Councillor Alaric Smith – Executive Member for Finance. Email: <a href="mailto:alaric.smith@westoxon.gov.uk">alaric.smith@westoxon.gov.uk</a>
Accountable Officer	Jon Dearing – Assistant Director, Resident Services. Email: <a href="mailto:jon.dearing@publicagroup.uk">jon.dearing@publicagroup.uk</a>
Report Author	Chris Kent – Revenues Manager. Email: <a href="mailto:chris.kent@publicagroup.uk">chris.kent@publicagroup.uk</a>
Summary/Purpose	To reconsider an application for Discretionary Rate Relief submitted under Section 47 of the Local Government Finance Act 1998 for the financial year 2023/24.
Annex	Annex A – Equalities Impact Assessment Exempt Annex B – Financial Information Supplied by Applicant
Recommendation(s)	That the Executive Resolves to:  1) Uphold the original decision not to award an additional 10% Discretionary Rate Relief submitted under S47 due to sufficient surplus held by the organisation.
Corporate Priorities	<ul style="list-style-type: none"><li>Working Together for West Oxfordshire</li></ul>
Key Decision	NO
Exempt	Annex A – Financial Information Supplied by Applicant
Consultees/ Consultation	Chief Executive, Chief Finance Officer, Monitoring Officer, Interim Head of Legal, Executive Member, Group Finance Director (Publica), Finance Business Partner

## **1. BACKGROUND**

- 1.1** West Oxfordshire District Council has the power (exercised through powers delegated to the Executive Member for Finance) to consider granting, on an individual basis, Discretionary Rates Relief to non-profit making organisations and organisations suffering financial hardship.
- 1.2** In the decision-making meeting on 14 June 2023, the Executive Member for Finance considered a recommendation put forward by the Revenues Officer, who was dealing with the application, and made the decision to award a discount of 10% (£3,199.45).

## **2. MAIN POINTS**

- 2.1** The policy for Discretionary Rates Relief states that there is no statutory right of appeal against a decision other than by way of judicial review. An unsuccessful applicant may make a request for the Council to review its decision if there is relevant information that was not available at the time the decision was originally made, or that the supporting information was not interpreted correctly. This request must be made within one calendar month.
- 2.2** The applicant is a local Sports Club set up as a community interest company (CIC). The premises has a rateable value of 99,500, resulting in a charge for 2023/2024 of £31,994.48. The business is in receipt of an 80% charitable relief (£25,595.58) and an additional 10% reduction for discretionary rate relief (£3,199.45).
- 2.3** The business has been operating for 3 years and during years 1 and 2 the Council awarded the full 20% discretionary rate relief. During this financial year (2023/2024) a reduction of discretionary rate relief was recommended.
- 2.4** The reason for the recommendation to reduce the percentage of rate relief awarded was due to the amount of profit showing in the businesses 2021 accounts. Also, the rateable value had increased in 2023 from 53,500 to 99,500 and therefore the financial impact on the Council for awarding any relief had increased significantly.
- 2.5** Although the organisation is grateful for the council's assistance by awarding a 10% discretionary rate relief, they believe that the reasons for the council's decision were misleading to the position of the organisation.
- 2.6** Within an email the organisation has detailed the reasons why it would like this matter reconsidered and is documented within Exempt Annex A of this report.

### 3. ALTERNATIVE OPTIONS

- 3.1 The Executive may decide to award a further discretionary rate relief of either 5% or 10% as follows:

Percentage	Amount of Discount	Cost to Council (40%)
10%	£3,199.45	£1,279.78
5%	£1,599.73	£639.89

### 4. CONCLUSIONS

- 4.1 The council has now obtained the organisations most recent accounts for the year ending 31 October 2022. These show a net surplus of £37,649 (9.65% of total sales/turnover). Based on this, the organisation has sufficient surplus to address 10% of their annual business rate liability. Officers have not considered any reserves held by the organisation within this review as they currently fall short of the annual operating costs.

### 5. FINANCIAL IMPLICATIONS

- 5.1 The Council is part of the Oxfordshire Business Rates pool and the costs of awarding discretionary rate relief is shared as follows:

Central Government	50%
County Council	10%
District Council	40%

### 6. LEGAL IMPLICATIONS

- 6.1 Section 47 of the Local Government Finance Act (1988) permits the billing authority to grant discretionary rate relief to charities and other organisations of prescribed types.

### 7. RISK ASSESSMENT

- 7.1 The approval, or otherwise, of the individual application does not set a precedent or carry any significant risk to the Council or its residents as each application is considered on an individual basis.

### 8. EQUALITIES IMPACT

- 8.1 There are no unacceptable adverse effects on the protected characteristics covered by the Equalities Act 2010 that have been identified. A full detailed Equalities Impact Assessment is attached at Annex A.

## **9. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS**

**9.1** There are none associated with this report.

## **10. BACKGROUND PAPERS**

**10.1** The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:

- Decision Maker meeting – 14 June 2023

**10.2** These documents will be available for inspection online at [www.westoxon.gov.uk](http://www.westoxon.gov.uk) or by contacting democratic services [democratic.services@westoxon.gov.uk](mailto:democratic.services@westoxon.gov.uk) for a period of up to 4 years from the date of the meeting.

(END)