



City of Westminster

Cabinet Member Report

Decision Maker:	Cabinet Member for Finance, Resources and Customer Services
Date:	28 October 2014
Classification:	Not for Publication
Title:	Rating Advisory Panel: Determination of NNDR Discretionary and Hardship Relief Applications
Wards Affected:	Not Applicable
Policy Context:	Good Financial Management
Financial Summary:	The proposed recommendations would result in the award of £6,921.52 Discretionary relief, and £1,198.40 Hardship relief. The City Council will need to meet £2,435.98 of this figure, whilst central government and the GLA will meet the remainder of £5,683.94. The proposed recommendations would result in no award of a discretionary local discount.
Report of:	Karen Way, Contracts Manager Revenues & Benefits Tel: 020 7641 3464 kway@westminster.gov.uk

1. Executive Summary

- 1.1 This report contains recommendations from the Rating Advisory Panel in respect of applications for Hardship and Discretionary relief from National Non-Domestic Rates (NNDR).

2. Recommendations

- 2.1 That this report and appendices be exempt from disclosure by virtue of the Local Government Act 1972 Schedule 12A, Part 1, Paragraph 3, as amended, in that it contains information relating to the financial or business affairs of an individual.
- 2.2 That the Cabinet Member approves the recommendations of the Rating Advisory Panel held on 28 October 2014 and determines the applications for NNDR Discretionary and Hardship relief set out in Appendix A.

3. Background Information

- 3.1 The Rating Advisory Panel is an advisory body of elected members.
- 3.1.1 The Rating Advisory Panel considers applications for NNDR Discretionary and Hardship relief and makes recommendations to the Cabinet Member for Finance, Resources and Customer Services. The Cabinet Member is then asked to determine the applications for Discretionary and Hardship relief having regard to the recommendations of the Rating Advisory Panel.
- 3.2 The Localism Act 2011, which came into effect on 1 April 2012, amends Section 47 of the Local Government Finance Act 1988 to allow local authorities to grant Discretionary reliefs to any ratepayer, subject to the European rules on State Aid. This relief is known as a 'Local Discount'.

4. Rating Advisory Panel meeting on 28 October 2014

- 4.1 The Rating Advisory Panel was asked to consider 3 applications for discretionary relief, 3 applications for hardship relief. The Panel reviewed a report on each case prepared by the Director of Finance. These are available to the Cabinet Member upon request.
- 4.2 The recommendations of the Panel are shown in Appendix A of this Report.

5. Financial Implications

- 5.1 The Business Rates Retention Scheme has been introduced with effect from 1/4/13. Any Discretionary or Hardship relief recommended by the Panel and granted by the Cabinet Member for Finance, Resources and Customer Services under Section 47 of the Local Government Finance Act 1988 would be shared on the following basis:

Central Government	50%
GLA	20%
City Council	30%

- 5.2 The proposed recommendations would result in the award of £6,921.52 Discretionary relief, and £1,198.40 Hardship relief. The City Council will need to meet £2,435.98 of this figure, whilst central government and the GLA will meet the remainder of £5,683.94. The proposed recommendations would result in no award of a discretionary local discount.

6. Legal Implications

- 6.1 The liability for NNDR (Business Rates) on an occupied or unoccupied hereditament is set out in the Local Government Finance Act 1988. Section 47 of the Local Government Finance Act 1988 allows a local authority to grant Discretionary relief if:
- a) all or part of the hereditament is occupied for the purposes of one or more institutions or other organisations:
 - (i) none of which is established or conducted for profit and
 - (ii) each of whose main objects are charitable or otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts; or
 - b) the hereditament :
 - (i) is wholly or mainly used for purposes of recreation, and
 - (ii) all or part of it is occupied for the purpose of a club, society or other organisation not established or conducted for profit.
- 6.2 The Localism Act 2011, which came into effect on 1 April 2012, amends Section 47 of the Local Government Finance Act 1988 to allow local authorities to grant Discretionary reliefs to any ratepayer, subject to the European rules on State Aid. This relief is known as a 'Local Discount'.
- 6.3 Section 49 of the Local Government Finance Act 1988 enables a local authority to grant Hardship relief up to 100% of the NNDR liability provided the authority is satisfied that:
- a) the ratepayer would sustain hardship if the authority did not do so, and;
 - b) it is reasonable for the authority to do so, having regard to the interests of the persons subject to its Council Tax.

7. Outstanding Issues

- 7.1 There are no outstanding issues.

8. Reason(s) for Decision(s)

- 8.1 The Rating Advisory Panel has set out the reasons for the recommendations in each case considered by the Panel in the recommendations in Appendix A.

**If you have any queries about this Report or wish to inspect any of the Background Papers please contact Karen Way Tel: 0207 641 3464.
Email: kway@westminster.gov.uk**

Background Papers

- Discretionary and Hardship Relief Applications Report to the Rating Advisory Panel dated 28 October 2014.

For completion by the **Cabinet Member for Finance, Resources and Customer Services**

Declaration of Interest

I have <no interest to declare / to declare an interest> in respect of this report

Signed: _____ Date: _____

NAME: **Councillor Melvyn Caplan**

State nature of interest if any

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(N.B: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendation(s) in the report entitled **Rating Advisory Panel: Determination of NNDR Discretionary and Hardship Relief Applications** and reject any alternative options which are referred to but not recommended.

Signed

Cabinet Member for Finance, Resources and Customer Services

Date

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:
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If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Head of Legal & Democratic Services, Strategic Director Finance and Performance and, if there are resources implications, the Strategic Director of Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from

publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.