

FORM 1

NOTICE OF DELEGATION OF DECISION TO CABINET MEMBER BY STRONG LEADER

Section 15(4) of the Local Government Act 2000, the senior executive member may discharge any of the functions that are the responsibility of the Cabinet or may arrange for them to be discharged by another member of the Cabinet or Officer. On 1st December 2010, the Council adopted the Strong Leader Model for Corporate Governance 2011 as required under Part 3 of The Local Government and Public Involvement in Health Act 2007 (The 2007 Act).

I, Cllr Marcus Hart, as Strong Leader, delegate the decision criteria for the award of National Non Domestic Rate relief, as detailed in the Forward Plan to the Cabinet Member detailed below:

Cabinet Member for Resources and Transformation

16th September, 2014.

Dated:



Signed:

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Leader of the Council

FORM 2

NOTICE OF DECISION OF CABINET MEMBER

Pursuant Section 15(4) of the Local Government Act 2000, as amended by section 63 of the Local Government and Public Involvement in Health Act 2007, the senior executive member may discharge any of the functions that are the responsibility of the Cabinet or may arrange for them to be discharged by another member of the Cabinet or Officer. On 1st December 2010, the Council adopted the Strong Leader Model for Corporate Governance 2011 as required under Part 3 of The Local Government and Public Involvement in Health Act 2007 (The 2007 Act).

In accordance with the authority delegated to me, I have made the following decision:

Subject	Decision	Reason for decision	Date for Decision to be taken
Amendments to the eligibility criteria for the award of National Non Domestic Rate relief for charities and other non profit making organisations.	To amend the eligibility criteria to exclude sports and social organisations that charge membership fees that are prohibitive to widespread participation; and to exclude bodies with more than £25k of net current assets without such an amount being held for a particular maintenance or enhancement project.	The Council wishes to ensure that its NNDR relief awards are affordable for both the Council and the Worcestershire Business Rates Pool and provide the maximum benefit to bodies that are most in need of support.	15 th September 2014.

I confirm that the appropriate statutory officer consultation has taken place with regard to this decision.

Dated: 
Signed: 16/09/14

Councillor: Nathan Desmond, Cabinet Member for Resources and Transformation

To: Leader

From: Director of Economic Prosperity & Place

Date: 15/09/14

Amendments to NNDR Relief Policy for Charities and Non Profit Making Organisations

1. PURPOSE

To make minor amendments to the NNDR discretionary relief policy in respect of the eligibility threshold for net current assets and membership of sporting and social bodies.

2. RECOMMENDATION

That approval is given to the revised eligibility criteria for discretionary rate relief as attached.

3. BACKGROUND

In October 2013 the Council agreed a new policy to guide eligibility for the grant of discretionary National Non Domestic Rate (NNDR) relief and to make its approach to such requests fair and transparent. An extensive consultation exercise was undertaken before the final policy was agreed and put in place from 1st April 2014. All requests for NNDR relief from that date have been dealt with under the new policy which is set out on the Council's website.

The new policy was implemented during the first year of the new Business Rates regime when the complex accounting issues around the new pooling arrangements were still being finalised. The full implications of these new arrangements, including in particular the financial consequences, were only known at a late stage and could not be fully factored into the policy that the Council adopted.

There are two proposed changes to the eligibility criteria that are now recommended as a result of both the financial implications of the national pooling arrangements and as a result of assessing applications for relief received from 1st April 2014:

1. The approved eligibility criteria in respect of Sports and Social Clubs proposed up to 50% relief for 'Sports and social clubs that provide indoor or outdoor sports facilities for the principal benefit of Wyre Forest district residents'. Whilst the policy recognised the intended benefit for local residents, it didn't adequately recognise the difference between clubs with or without membership fees that in some instances can prohibit widespread participation by the district's residents. It is therefore proposed to amend the eligibility criteria to read 'Sports and social clubs that provide indoor or outdoor sports facilities for the principal benefit of Wyre Forest district residents without requiring a substantial membership fee to be paid that would otherwise be financially prohibitive to widespread participation'

2. The approved eligibility criteria was silent on what was an acceptable amount of funds to have on the balance sheet that was immediately accessible to the applicant organisation – the net current assets – such that their NNDR ought to be affordable without the need for further discretionary relief. This would assist the Council from an affordability perspective in ensuring that only those organisations most in need were granted the relief. A sum of £25,000 in net current assets is recommended. It is acknowledged that some organisations may be accumulating funds for a particular project of repair and maintenance or enhancement of facilities that takes them over this sum and where this can be satisfactorily evidenced then an exception will be made until such time as the project is completed. It is therefore proposed that in the footnotes to the policy an additional line is added such that any award of relief is subject to 'There being a limit of £25,000 of net current assets held on the organisation's balance sheet, unless the Council is provided with satisfactory evidence that such an amount is being accumulated for a specific project to enhance or maintain the organisation's facilities'.

4. FINANCIAL IMPLICATIONS

The Council has to ensure that under the current arrangements any award of discretionary NNDR relief is affordable and it already recognises this by making clear that relief may be granted if the eligibility criteria is met, not that it will be granted. These further eligibility criteria will assist the transparency and affordability of the Council's policy.

Membership of the Worcestershire Business Rates Pool means that the policy for granting discretionary NNDR relief impacts not only on the authority granting the relief, but on all the Pool members. These revisions ensure this Council has greater control over the affordability of NNDR relief in the future to manage and mitigate the risk of an adverse financial impact on not only WFDC but also the overall Pool position.

6. LEGAL AND POLICY IMPLICATIONS

There are no legal or policy implications arising from the proposed changes.

7. CONCLUSION

That the proposed amendments to the eligibility criteria be agreed and implemented with immediate effect to assess any new applications for relief that the Council receives.

8. RISK MANAGEMENT

If the Council does not adopt the additional criteria it runs the risk of not being able to afford to offer relief to those bodies most in need.

9. EQUALITY IMPACT NEEDS ASSESSMENT

Not required for this proposal.

10. CONSULTEES

S151 Officer
CLT

11. BACKGROUND PAPERS

October 2013 Cabinet report