

<b>Report to:</b>	Regulatory, Compliance and Corporate Services	<b>Date of Issue:</b>	25th July 2022
		<b>Date of Decision:</b>	2nd August 2022
<b>Subject:</b>	Application for Discretionary Rate Relief		
<b>Report of:</b>	The Executive Director of Corporate Resources and Customer Services	<b>Wards Affected:</b>	Litherland
<b>Cabinet Portfolio:</b>	Cabinet Member for Regulatory Compliance and Corporate Services		
<b>Is this a Key Decision?</b>	No	<b>Included in Forward Plan:</b>	No
<b>Exempt / Confidential Report:</b>	No, but the Appendices to the report are NOT FOR PUBLICATION by virtue of Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972. The Public Interest Test has been applied and favours the information being treated as exempt		

### Summary:

This report seeks consideration to approve an award of discretionary rate relief to a non-profit making organisation under the provisions of section 47 of the Local Government Finance Act 1988 (as amended by section 69 of the Localism Act 2011).

### Recommendation(s):

That the Cabinet Member approve the application from Conquer Life CIC for 80% discretionary rate relief amounting to £395.81 for the financial year 1 April 2021 to 31 March 2022 and £10,319.32 for the financial year 1 April 2022 to 31 March 2023.

The discretionary rate relief applied for is in respect of the premises known as The Linacre, 46 Linacre Lane, Bootle, L20 5AL.

### Reasons for the Recommendation(s):

Conquer Life CIC has already been providing a valuable service to the young residents of Sefton since 2018 at its previous base in Bootle by increasing employment opportunities, promoting academic success and health and wellbeing whilst also dealing with social issues such as crime, gang culture, inequality, poverty, and deprivation.

Conquer Life CIC has recently taken out a 30-year lease of the former Linacre Public House on Linacre Lane and turned it in to a Community Centre for 7–18-year-olds.

The property had been vacant for many years prior to Conquer Life CIC's occupation and had fallen into a state of disrepair.

At its previous base, Conquer Life CIC received Small Business Rates Relief therefore no Business Rates were due. At The Linacre, the organisation does not qualify for any mandatory relief therefore is responsible for 100% of the Business Rates liability.

The amount of discretionary rate relief being recommended is 80% of the total liability of £13,393.91 from the period of occupation on 18 March 2022 to the end of the current financial year on 31 March 2023. This is in line with mandatory relief given to similar organisations, but who are registered with the Charity Commission.

A discretionary rate relief award for 18 March 2022 to 31 March 2023 will go some way to securing the long-term viability of the organisation.

Under rate retention, 99% of discretionary relief must be borne by the Council and 1% by the Fire Authority.

**Alternative Options Considered and Rejected:** (including any Risk Implications)

Conquer Life CIC has applied for 100% rate relief to reduce their rate liability at The Linacre, 46 Linacre Lane, Bootle, L20 5AL from 4 January 2022, their date of occupation, to 31 March 2023. However, due to The Linacre not being open until 18 March 2022 and in line with the amount of relief awarded to similar organisations, it is recommended that the organisation receives 80% discretionary relief from 18 March 2022 only.

The organisation's Business Rates liability for 18 March 2022 to 31 March 2022 is £494.76 and for 1 April 2022 to 31 March 2023 is £12,899.15. Therefore it is recommended that it receives 80% discretionary rate relief of £395.81 for 18 March 2022 to 31 March 2022 and 80% discretionary rate relief of £10,319.32 for 1 April 2022 to 31 March 2023. The total discretionary rate relief for 18 March 2022 to 31 March 2023 would be £10,715.13.

The discretionary rate relief application can be refused, or a different percentage of relief granted, as shown in the tables below: -

2021-2022	25% Relief	50% Relief	75% Relief	100% Relief
Reduction in Non-Domestic Rates Income	£123.69	£247.38	£371.07	£494.76
Funded by Sefton Council 99%	£122.45	£244.91	£367.36	£489.81
Funded by Fire Authority 1%	£1.24	£2.47	£3.71	£4.95

2022-2023	25% Relief	50% Relief	75% Relief	100% Relief
Reduction in Non-Domestic Rates Income	£3,224.79	£6,449.58	£9,674.36	£12,899.15
Funded by Sefton Council 99%	£3,192.54	£6,385.08	£9,577.62	£12,770.16
Funded by Fire Authority 1%	£32.25	£64.50	£96.74	£128.99

## What will it cost and how will it be financed?

### (A) Revenue Costs

Conquer Life CIC has applied for 100% discretionary rate relief for 4 January 2022 to 31 March 2022 and 1 April 2022 to 31 March 2023. However, in line with relief awarded to similar organisations, and taking into consideration the date the organisation commenced providing a service from The Linacre, it is recommended that the organisation receives 80% discretionary rate relief for 18 March to 31 March 2022 and 1 April 2022 to 31 March 2023.

For the period 18 March 2022 to 31 March 2022, Conquer Life CIC's liability is £494.76 and for the period 1 April 2022 to 31 March 2023, Conquer Life CIC's liability is £12,899.15.

The table below illustrates total expenditure if relief is granted as recommended and how it will be funded.

	Reduction in Non-Domestic Rates Income	Funded by Sefton 99%	Funded by Fire Authority 1%
2021-2022	£395.81	£391.85	£3.96
2022-2023	£10,319.32	£10,216.13	£103.19

It should be noted that the rateable value of The Linacre, 46 Linacre Lane, Bootle, L20 5AL is currently £25,850. The former residential part of the building has been absorbed into the commercial element; and the building has undergone a change of use from a public house. Consequently the Valuation Office Agency have been requested to review the valuation. This could result in the rateable value increasing or decreasing which would have an impact on the amount of Business Rates that Conquer Life CIC is liable for. To comply with legislation a decision on discretionary

relief cannot be deferred. Any award of discretionary relief would be adjusted in accordance with any subsequent change to the rateable value.

**(B) Capital Costs**

**Implications of the Proposals:**

<b>Resource Implications (Financial, IT, Staffing and Assets):</b>	
None	
<b>Legal Implications:</b>	
None	
<b>Equality Implications:</b>	
There are no equality implications.	
<b>Climate Emergency Implications:</b>	
The recommendations within this report will	
Have a positive impact	N
Have a neutral impact	Y
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	Y
There are no Climate Emergency implications	

**Contribution to the Council’s Core Purpose:**

Protect the most vulnerable: The organisation work with schools and children dealing with social issues such as crime, gang culture, inequality, poverty, and deprivation.
Facilitate confident and resilient communities: The organisation plays a key role in the local community by increasing employment opportunities, promoting academic success and health & wellbeing.
Commission, broker and provide core services: N/A
Place – leadership and influencer: N/a
Drivers of change and reform: N/A
Facilitate sustainable economic prosperity: N/A
Greater income for social investment: N/A

Cleaner Greene: N/A
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## What consultations have taken place on the proposals and when?

### (A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD 6858/22) and the Chief Legal and Democratic Officer (LD 5058/22) have been consulted and any comments have been incorporated into the report.

### (B) External Consultations

Not Applicable

## Implementation Date for the Decision

Following the expiry of the “call-in” period for the Cabinet Member decision.

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## Appendices:

The following appendices are attached to this report:

Appendix 1 – Application Form

Appendix 2 – Supporting Evidence

## Background Papers:

There are no background papers available for inspection.

### 1. Introduction/Background

- 1.1 This report is to consider an application for discretionary rate relief from Conquer Life CIC, The Linacre, 46 Linacre Lane, Bootle, L20 5AL.
- 1.2 Relevant not-for-profit organisations are eligible to be considered for discretionary rate relief under section 47 of the Local Government Finance Act 1988, (as amended by section 69 of the Localism Act 2011). Under this provision, discretionary power is given to billing authorities to grant partial or full relief to certain categories of business rate payers.
- 1.3 Under the provisions of this Section, local authorities have the discretion to grant up to 100% relief to organisations. Should the Cabinet Member approve

the granting of relief, 99% of the cost will be met by the Council and 1% by Merseyside Fire & Rescue Authority.

## **2. Application**

- 2.1 Conquer Life CIC has applied for 100% discretionary rate relief for 4 January 2022 to 31 March 2022 and 1 April 2022 to 31 March 2023. However, in line with relief awarded to similar organisations, and taking into consideration the date the organisation commenced providing a service from The Linacre, it is recommended that the organisation receives 80% discretionary rate relief for 18 March to 31 March 2022 and 1 April 2022 to 31 March 2023.
- 2.2 The application for discretionary rate relief, consent to disclosure and state aid declaration can be found in Appendix 1.
- 2.3 The gross Business Rates liability for this property for 4 January 2022 to 31 March 2023 is £16,040.95. The gross Business Rates liability for the period 18 March 2022 to 31 March 2023 is £13,393.91. If 80% relief were awarded as recommended, this would amount to £10,715.13, reducing the liability to £5,325.82 for 4 January 2022 to 31 March 2023.
- 2.4 In their application for discretionary rate relief Conquer Life CIC state: -
- Have been established for 5 years
  - Is a not-for-profit local organisation that builds resilience, increases aspirations, and improves the quality of live for children and young people.
  - Has partnered with Sefton Council to deliver life changing outcomes for young people and wants to play a big part in Sefton's 2030 vision.
  - The Linacre will host free activities for children and young people and be used to hold small fundraising events.
  - Employ 2 people full time and 6 people part time, all of whom reside in Sefton.
  - Have approximately 50 volunteers.
  - Have so far worked with over 3,000 children and young people across Sefton.
  - Have provided a supplementary report confirming their short-, medium- and long-term goals.
  - Received Grant Funding of £77,287.79 in the financial year ending October 2021.
  - In the financial year ending October 2021 made a net profit of £15,086.57.