

Scrutiny Committee

- Venue: Committee Room
- Date: 7 May 2013
- Present: Councillors W Nichols (Chair), R Price (Vice Chair), I Chilvers, M Dyson, M Hobson, D Mackay, C Pearson, and D Peart.
- Apologies for Absence: Councillors R Sweeting.
- Officers Present: Ralph Gill – Lead Officer, Revenues and Benefits, Karen Iveson – Executive Director (s151), Eileen Scothern – Business Manager, Michelle Dinsdale – Assistant Policy Officer and Palbinder Mann - Democratic Services Officer.
- Press: None

58. DECLARATIONS OF INTEREST

There were no declarations of interest.

59. CHAIR'S ADDRESS TO THE SCRUTINY COMMITTEE

The Chair reminded the Committee of the second Scrutiny workshop which would be taking place on the Committee's provisional meeting date of Tuesday 21 May 2013.

60. CALL IN

No items had been called in.

61. SCRUTINY TASK AND FINISH GROUP REVIEW OF NATIONAL NON-DOMESTIC RATES DISCRETIONARY RELIEF

Councillor Pearson, Chair of the Task and Finish group provided a presentation on the work completed by the group in their review of National Non-Domestic Rates Discretionary Reliefs.

The Committee were informed that the group was comprised of Councillors Pearson, Chilvers and Hobson and met on three occasions between November 2012 and April 2012. The aims of the group were to review the existing policy for awarding relief and exploring options under the Council's general power to award relief.

Councillor Pearson explained that the outcomes of the review were the following:

- A defined policy for Discretionary Rate Relief
- A revised and effective process for awarding rate relief which:
 - was easy for applicants to understand and apply for
 - was easy for the authority to administer
 - enabled the Council to plan its budget.

It was explained that the group focused on the following two areas:

- Reviewing the current policy for awarding discretionary relief.
- Exploring options under the Council's general power to award discretionary rate relief.

Councillor Pearson explained the different groups which were awarded existing rate relief and the possible options for change in providing existing relief.

The Committee were informed that the Localism Act had given local authorities the power to grant discretionary relief in any circumstances however was subject to the condition that the Council may only grant relief if it was reasonable to do so, having regard to the interests of council tax payers in its area. It was explained that any new general relief granted would be at 100% cost to the Council.

Councillor Pearson explained that through supporting business who created new employment opportunities for local residents, the Council could entice new businesses to the area and encourage the expansion of existing businesses.

A query was raised on how the decision to award existing relief was currently decided. It was explained that current decision was made by the Executive Director (s151) in discussion with the Leader of the Council. The Committee discussed how decisions would be made on the new general relief and felt that a cross party panel should be formed to make the decisions.

The Executive Director (s151) clarified an error in the report as there was a suggestion that the cost of existing relief was overspent however the Council share was within budget. In response to a query, it was explained that £42,240 was set aside to cover the Council's cost of existing relief. The Lead Officer, Revenues and Benefits explained that the way the Government was portioning business rates was changing as the cost to the Council of existing relief would now be 40% across all groups.

It was agreed that the Chair of the Task Group and the Chair of the Scrutiny would attend the Executive meeting on 6 June 2013 to present the Committee's findings.

RESOLVED:

- i) A cross party panel for consideration of applications for the new general relief;**
- ii) The introduction of a cap on the budget set aside to support the new general relief;**
- iii) The introduction of a cap for individual awards in respect of new relief;**
- iv) To approve the draft National Non - Domestic Rates (NDR) Discretionary Rate Relief Policy which includes the following key changes:**
 - i. The implementation of a monetary cap on the level awarded per property per annum on all existing types of relief*
 - ii. The continuation to 'top up' 80% mandatory relief to 100%, for charitable bodies, on a sliding scale, but only where the organisation can evidence investment in the local community. All other awards in respect of charitable bodies to be capped at 80%, in line with non profit making organisations.*
 - iii. The introduction of an end date for all awards granted (allowing recipients to reapply).*
 - iv. The introduction of a cut off date for the submission of all applications, except those in respect of general rate relief and hardship.*
 - v. The granting of awards against the available budget.*
 - vi. The introduction of a general rate relief, linked to attracting new organisations to the District, encouraging expansion and creating employment opportunities for Selby District residents.*

The meeting closed at 5:40pm