



REPORT TO: POLICY AND RESOURCES COMMITTEE ON 9 APRIL 2019

SUBJECT: APPLICATION FOR DISCRETIONARY NON-DOMESTIC RATES REMISSION: THE WOODLANDS TRUST

BY: CORPORATE DIRECTOR (CORPORATE SERVICES)

1.0 REASON FOR REPORT

- 1.1 To consider The Woodlands Trust's application for a discretionary award of Non-Domestic Rates relief for its premises.
- 1.2 This report is submitted to the committee in terms of Section III (A) (8) of the council's Scheme of Administration relating to the administration of the levy, collection, payment and recovery of Non-Domestic Rates.

2. Recommendation

2.1 The committee is invited to consider:

- (i) the application, on its individual merits, from The Woodlands Trust for an award of some discretionary Non-Domestic Rates relief for its premises at Unit 1, Forres Enterprise Park, Forres; and
- (ii) if an such an award is made, the amount of rates relief to be awarded, up to a maximum of twenty *per cent* of the rates bill.

3. Background

3.1 Legal Framework

- 3.1.1 A registered Scottish charity which occupies a property in furtherance of its charitable objectives is entitled to a mandatory award of eighty *per cent* rates relief. Only charities which are registered with the Office of the Scottish Charity Regulator (OSCR) are entitled to an award of this relief.

3.1.2 In terms of Section 4(5) of the Local Government (Financial Provisions *etc.*) (Scotland) Act 1962 rating authorities have powers to grant additional discretionary rates relief in respect of premises:

(a) occupied by charities and used for charitable purposes;

(b) occupied for the purposes of organisations which are not established for profit and whose principal aims are charitable and are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts; or

(c) occupied for the purposes of a club, society or other organisation not established or conducted for profit and which are wholly used for the purpose of recreation.

3.1.3 Members have previously delegated resolution of some applications for discretionary relief to officers. At a meeting of this committee on 23 March 2005 a decision was taken to delegate applications from organisations which promote the welfare of vulnerable persons and applications from groups which benefit the community.

3.1.4 At a meeting of this committee on 12 February 2019 Members decided that the council would no longer make an award of discretionary rates relief to charity shops.

3.1.5 The application for discretionary rates relief from The Wood Land Trust lies outwith the powers delegated to the Head of Legal and Democratic Services at 8 (30) of the council's Scheme of Delegation. Its disposal reverts, therefore, to this committee.

3.2 Applicant

3.2.1 The Woodland Trust is a registered Scottish Charity (SC038885). Its objects are to conserve, restore and re-establish trees, in particular broadleaved trees, plants and all forms of wildlife and thereby secure and enhance the enjoyment by the public of the natural environment.

3.2.2 The Woodlands Trust currently occupies premises at Unit 1, Forres Enterprise Park, Forres, from which it conducts administrative work.

3.2.3 These premises are in charitable occupation, so there is an entitlement to eighty *per cent* mandatory rates relief.

3.3 Financial Cost of Relief

3.3.1 The rateable value of the premises at Unit 1, Forres Enterprise Park, Forres,

for which an award of some discretionary rates relief is sought is £2,450.

- 3.3.2 The Woodlands Trust has occupied these premises since 2 July 2018 and has already received an award of eighty *per cent* mandatory rates relief.
- 3.3.3 The net 2018-19 Non-Domestic Rates payable for the period The Woodlands Trust has occupied the premises at Unit 1, Forres Enterprise Park, Forres, for which an award of some discretionary rates relief is sought is £879.58.
- 3.3.4 The cost of making any grant of discretionary rates relief would jointly fall on the Scottish Non-Domestic Rates 'pool' and Council Tax-payers in Moray. The national pool would fund seventy-five per cent of such an award and the balance would accrue as a financial burden to the council to be funded directly by local Council Tax-payers.
- 3.3.5 The cost of making the maximum award of discretionary rates relief would be £175.92, which would be funded in the manner described in the preceding point.

4. SUMMARY OF IMPLICATIONS

(a) Moray 2026: A Plan for the Future

No council/community planning priority implications for the local authority arise from the content of this report.

(b) Policy and Legal

No policy implications for the local authority arise from the content of this report.

(c) Financial Implications

If Members choose to exercise their discretionary powers to make an award of rates relief, this would create an ongoing financial liability which would accrue against the revenues raised in future years from Council Tax-payers. If the maximum amount of relief was awarded this would create a gross recurring cost of approximately £212 *per annum* in future years, which would increase in line with any increase in the rates poundage set by the Scottish Government.

(d) Risk Implications

No risk implications for the local authority arise from the content of this report.

(e) Staffing Implications

No staffing implications for the local authority arise from the content of this report.

(f) Property

No property implications for the local authority arise from the content of this report.

(g) Equalities

No equalities implications for the local authority arise from the content of this report.

(h) Consultations

No consultation has been carried out in the preparation of this report.

5. CONCLUSION

5.1 This report has laid before Members of this committee the application by The Woodlands Trust for an award of discretionary Non-Domestic Rates relief for its premises and the cost to the council of making such an award.

Author of Report: James Taylor, Taxation Manager (ext. 3160).

Background Papers

Ref.: JGT/LJC/