

MAIDSTONE BOROUGH COUNCIL

CABINET MEMBER FOR CORPORATE SERVICES

REPORT OF THE ASSISTANT DIRECTOR OF CUSTOMER SERVICES AND PARTNERSHIPS

Report prepared by Tony Jeyes

Date Issued: 1 April 2010

1. NATIONAL NON-DOMESTIC RATES – DISCRETIONARY, CHARITABLE RATE RELIEF

1.1 Issue for Decision

1.1.1 This report is in respect of an application for discretionary rate relief from Francisknight Ltd.

1.2 Recommendation of Assistant Director of Customer Services

1.2.1 That no discretionary rate relief be awarded, as it is not considered that the application falls within current council policy.

1.3 Reasons for Recommendation.

1.3.1 The Council's current policy regarding rate relief for charitable and other similar organisations is as follows:-

<u>CHARITY/ ORGANISATION</u>	<u>RELIEF</u>
Religious	80% (Mandatory, no Discretionary)
Charity Shops	80% (Mandatory, no Discretionary)
Educational	80% (Mandatory, no Discretionary)
Welfare	80% (Mandatory, no Discretionary)
Recreational	80% (Mandatory, no Discretionary)
Youth	100% (80%Mandatory 20%Discretionary) (excluding School primary/secondary/further education)
Village Halls	100% (80% Mandatory,20%Discretionary)

1.3.2 Schools are specifically excluded from qualifying under the Youth category element to avoid any complications that might arise as a result of an application being received from a school that does not qualify for relief under the Education provision.

1.3.3 The Cabinet Member will note that the current policy does not currently allow for any discretionary rate relief to be awarded, with the exception

of the amounts listed in the Youth Organisations and Village Halls categories.

1.3.4 FrancisKnight Ltd

The company plans to occupy Unit B9, The Power Hub Business Centre, St Peter's Street, Maidstone, Kent ME16 0ST. The information provided is that Unit B9 (The Creative Project Space) is a project driven by FrancisKnight to refurbish and occupy a 3,000sqft industrial unit with creative workspace for the purpose of supporting artists and the fine arts to originate, develop and produce new work. The refurbishment will divide Unit B9 into five workspace units to accommodate and provide affordable creative workspace:

There will be 1 unit for FrancisKnight, arts consultancy to provide a regional office base; 2 units for incubator spaces to support graduates from University of the Creative Arts; 2 units for artists workspaces; a gallery showing space that can be used to show new and experimental work by invited artists/ a networking space/ events and available for private hire; A private meeting room for use by tenants/events Disabled access toilets and a Communal Kitchen.

1.3.5 Relief has been refused by officers as granting relief to organisations of this nature is not within current guidelines.

1.3.6 Occupation has not yet occurred, but the assessment has a rateable value of £14,250 with a current annual charge of £6,911.25. If 80% discretionary Rate Relief were awarded, this would amount to £5,529.00. As no mandatory rate relief has been allowed, 25% of any discretionary relief is borne by the billing authority. The awarding of 80% discretionary rate relief will mean that there is a charge of £1,382.25 to the Council's General Fund. The proposed RV from 1 April 2010 is £17,500 with a 2010/2011 charge of £7,245.00. If 80% discretionary Rate Relief were awarded on the basis of such a liability, this would amount to £5,796.00 and the cost to the council for next year would be £1,449.00.

1.3.7 The documentation provided by the appellant is attached at Appendix A.

1.4 Impact on Corporate Objectives

1.4.1 None

1.5 Risk Management

1.5.1 There is the possibility that if relief is awarded, then another organisation seeking relief may apply for discretionary relief where they do not qualify for mandatory relief.

1.6 Other Implications

1.6.1

1.	Financial	X
2.	Staffing	
3.	Legal	X
4.	Equality Impact Needs Assessment	
5.	Environmental/Sustainable Development	
6.	Community Safety	
7.	Human Rights Act	
8.	Procurement	
9.	Asset Management	

1.6.2 The financial details and legal implications are listed above.

Is this a Key Decision?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If yes, when did it appear in the Forward Plan? _____				
Is this an Urgent Key Decision?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
<u>Reason for Urgency</u>				

How to Comment

Should you have any comments on the issue that is being considered please contact either the relevant Officer or the Member of the Executive who will be taking the decision.

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