



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

Business Rate Relief in Wales

A Sustainable Future

December 2005

Introduction

It is a fact that business rates are an integral part of the financing of local government. However, the Welsh Assembly Government recognises that in certain situations the level of business rates charged could be a burden particularly in certain areas of Wales and especially for those businesses where the difference between profitability and bankruptcy is finely balanced. It is therefore important that for some the availability of relief can help provide security in terms of the sustainability of the business itself as well as the continued economic and social well being of the community in which the business is situated.

One of the main relief schemes currently in place is the rural rate relief scheme. This was extended at the time of the foot and mouth crisis as part of the Assembly Government's Rural Recovery Plan and for several years has provided support to businesses in rural communities. The Rural Recovery Plan is now complete and the time has come to review the need for the scheme as it is currently composed.

In addition, the Local Government Act 2003 provides the Assembly Government with the power to set up a relief scheme for small businesses in Wales. Some other parts of the UK have already introduced small business rate relief schemes and it is appropriate to consider whether a similar scheme should be introduced in Wales.

This consultation paper invites comments on the current business rate relief system and provides an opportunity for respondents to make suggestions to improve the current arrangements.

Overview

This consultation paper is set out as follows:

Part One gives a background and overview of the current rural rate relief system in Wales.

Part Two summarises the main observations arising from a recent research project into the system that has been undertaken by the Welsh Assembly Government.

Part Three puts forward several options for the way forward.

Comments Form Consultees are asked to state their preferred options and reasons.

Annex A details the amounts awarded in mandatory and discretionary relief in Wales since 1997.

Annex B details a number of schemes designed to support to small businesses in Wales.

Annex C shows the results of a policy gateway session held with Welsh Assembly Government and Welsh Local Government Association officials on the issue of the existing rate relief system.

Annex D shows the types of mandatory and discretionary reliefs available in Wales.

You are invited to comment on the proposed options, and to provide any further comments you feel are relevant including offering other options that you might think appropriate. The consultation period is to run for 12 weeks. Responses are required by 3rd March and should be sent to:

Rebecca Perrin
Local Government Finance Division
Welsh Assembly Government
Cathays Park
Cardiff
CF10 3NQ

Or by e-mail to LGF1consultations@wales.gsi.gov.uk

This document has been produced in accordance with the Government's Code of Practice on Consultation. The principle criteria governing this code can be viewed at:

<http://www.cabinetoffice.gov.uk/regulation/consultation/documents/pdf/code.pdf>

The National Assembly for Wales intends to publish the responses to this document.

Normally, the name and address (or part of the address) of its author are published along with the response, as this gives credibility to the consultation exercise. If you do not wish to be identified as the author of your response, please state this expressly in writing to us.

Useful Links

www.wales.gov.uk/businessraterelief
www.voa.gov

WAG Research Report on the Effectiveness of the current NNDR system in Wales:
<http://www.wales.gov.uk/subilocalgov/content/consultation/nondomesticrating/researchpaperjuly05-e.pdf>

Part One

Background

This sets out the current position for rate reliefs in Wales. The measurable reliefs are set out in Annex A, and these relate to mandatory and discretionary reliefs. A more detailed explanation of these reliefs can be seen below.

Mandatory Reliefs

Presently, the 1988 Local Government Finance Act sets out reliefs for charities and community amateur sports clubs. Section 43(5) makes provision for 80% mandatory relief to be given in respect of hereditaments occupied or partly occupied by these organisations. There is also provision for mandatory relief in the event that unoccupied property when next in use will be used for charitable purposes.

Discretionary Reliefs

Where the property does not qualify for mandatory relief, authorities will consider the award of discretionary rate relief under section 47 of the Local Government Finance Act 1988. Authorities have discretion to grant relief of up to 100% to certain non-profit making bodies. The range of bodies eligible for discretionary rate relief is wide and not all of the suggested criteria will be applicable in each case. To be eligible for consideration, the ratepayer must be a non-profit making body and the hereditament used for charitable, philanthropic or religious purposes, or concerned with education, social welfare, science, literature or the fine arts, or used wholly or mainly for recreation by a not-for-profit club or society. The amounts awarded in discretionary relief since 1997 are shown in the table at Annex 1.

Rural Rate Relief Scheme

Current rate relief for small business¹ in Wales is confined to those businesses that meet the criteria for rural rate relief. Under this arrangement, local authorities in Wales are required to keep a rural settlement list for those parts of the Principality that are designated as 'rural areas'. All of the 22 unitary authorities are included in this list and the only exceptions are a few communities in Cardiff, Merthyr, Neath Port Talbot, Newport, Swansea, Torfaen and Wrexham. To qualify as a rural settlement within these designated rural areas the population must not have 'appeared' to have exceeded 3,000 on the last 31 December before the beginning of the chargeable financial year in question. The boundaries of the rural settlements are drawn by the various billing authorities based on guidance issued by the Welsh Office in 1998. The billing authority also makes a judgment about the population of the rural settlement for the qualifying period.

The legislative base for qualifying property (hereditament) or part of a property is the Local Government Finance Act 1988. Under the scheme that existed

¹ At present, the term small business refers to businesses operating within small premises.

before the foot and mouth crisis in 2001, qualifying hereditaments (or part of a hereditament) were a general stores but to qualify the store had to be the only store in the rural settlement or Post Offices and to qualify the post office had to be the only post office in the rural settlement.

For those properties in rural settlement areas that are qualified in these terms, mandatory rural rate relief is given at 50%. The remainder of the framework for rural rate relief is at the discretion of the Assembly, as the regulation making powers in the relevant primary legislation have been devolved.

In September 2000, in the policy document 'simplifying the System: Local Government Finance in Wales'² the Assembly Government suggested that rate relief could play a part in regenerating rural areas. This could be achieved by extension of the rural rate relief scheme to types of business not covered at that time such as public houses and petrol stations where these provided valuable services such as the provision of cash points and access to the internet. In the light of the outcome of the consultation carried out at the time, and in response to the need to help rural businesses during the foot and mouth crisis that arose in 2001, the Assembly Government decided to extend the rural rate relief scheme. By using its regulation making powers, the National Assembly for Wales set out the rateable values above which relief is not given. These are as follows:

- In the case of a public house or petrol filling station- £9,000
- In any other case £6,000

This allows rural rate relief to be given to all small businesses within the rural settlement area, except where the business is a qualifying general store or a post office. This is because the primary legislation requires that these are the sole businesses of this type within the area in order to qualify for relief.

The practical effect of the extension of the rural rate relief scheme in Wales has been to significantly increase the amount of both mandatory (and discretionary) relief provided to small businesses (see Annex A).

Small Business Rate Relief Scheme

The Assembly Government first consulted on the introduction of a small business rate relief scheme in September 2000 (Simplifying the System). This consultation suggested that any such scheme should be simple and aimed at businesses occupying properties with a rateable value of £10,000 or less. It also suggested that the amount of relief might be staggered with 50% mandatory relief for properties with rateable values of £5,000 or less and 25% mandatory relief for those between £5,000 and £10,000. It was also suggested that to ensure that relief would not be given to large companies occupying small properties, businesses would be required to make an annual application for relief.

² Simplifying the System: Local Government Finance in Wales, A consultation paper from the Cabinet of the National Assembly, September 2000

The consultation paper noted that the introduction of such a scheme could play an important part in meeting some of the Assembly's strategic targets as set out in BetterWales.com; in particular in the context of delivering a better, stronger economy and a better quality of life. It also suggested that one possibility would be for the scheme to be more generous in Objective 1 areas and those areas which are part of the Assembly's 'Communities' First' programme. A further suggestion was that the scheme might be linked to new business start ups.

Following this consultation, the Assembly Government stated its intention to seek primary legislative powers to introduce a small business rate relief scheme in Wales. These powers were provided for in the Local Government Act 2003.

Issues with the current position

There are a number of 'gaps' in terms of geographical coverage of the rural rate relief scheme. Firstly those areas not defined as rural by the relevant secondary legislation and secondly those areas which are rural but are not qualifying rural settlements because they exceed the 3000 population criteria. *These 'gaps' may be creating incentive/disincentive effects in terms of business location/relocation decisions.*

To qualify for rural rate relief post offices and general stores must be the only business of this type in the rural settlement. This does not apply to other kinds of businesses. *This would require a primary legislative change.*

Inconsistencies appear to exist between local authorities across Wales both in terms of local policies relating to the granting of reliefs and in interpretation of guidance, in particular in relation to the drawing up of rural settlement boundaries. *It is suggested that before determining the appropriate approach to these inconsistencies, the existing reliefs system should also be looked at in terms of overall Assembly Government policy.*

There are also a number of mandatory exemptions in the current relief schemes. At present the businesses in the exempt categories are not valued, so it is impossible to estimate how much revenue they would contribute to the NDR Pool. *It may be appropriate to reconsider the categories of mandatory exemptions.*

A summary of costs of the current scheme by the type of relief on an all-Wales basis are detailed in the Table at Annex A.

Part 2

Issues

This section considers the issues raised by a recent research report commissioned by the Welsh Assembly government to consider the effectiveness of the existing rate relief system in Wales. Copies of the full report can be accessed on the Welsh Assembly Government website (please see the Useful Links section on page 2)

Who benefits from rate relief?

It is important to remember *who* potentially benefits from rate reliefs. The 1995 research paper 'The Relationship between Rent and Rates' (Institute of Fiscal Studies/DTLR:1995) explores this issue and identified that there is potential for landlords as opposed to tenants to be the beneficiaries.

It is understood by the Assembly Government that because of this potential uncertainty as to where benefits might accrue, the Office of the Deputy Prime Minister has given an undertaking to keep this matter under review in light of the introduction of a small business rate relief scheme in England. This uncertainty suggests that the role of rate reliefs in wider economic development policy might be limited; however, this does not preclude the use of rate reliefs to sustain businesses in disadvantaged communities whether they be rural or urban.

Areas not defined as rural

Hereditaments in these areas are not eligible for Rural Rate Relief (RRR) but may be entitled to exemptions and other reliefs such as hardship and charitable reliefs, some mandatory and some at the discretion of local authorities. It should also be remembered that the current system has not been assessed since it was extended in light of the Foot and Mouth crisis. However, it is inconsistent with other policies in the areas of social justice and regeneration. For example, a number of the communities that are not eligible for RRR are Communities First wards areas, where encouraging and sustaining small businesses is a key priority under the Communities First Programme. This inconsistency was highlighted by the policy gateway process as set out in Annex C.

Definitions of Rural Settlements by local authorities

Local authorities have discretion to determine the boundaries of rural settlements within their areas. Within the defined settlement areas the population must be less than 3000 for businesses to be entitled to RRR. This means that in larger rural settlements which can rely on business from outlying areas there would be no rural rate relief entitlement. However, in these settlements exemptions and other reliefs are still applicable such as charitable reliefs and hardship reliefs. There are also issues surrounding the

interpretation of the Guidance on setting the boundaries for rural settlements by local authorities.

Other definitions of Rural Settlements

It is clear from correspondence received by the Assembly Government that there are perceived inconsistencies in the application of the guidance on drawing up rural settlements, sometimes between authorities which are neighbors. It is also confusing for subpostmasters and mistresses as the Post Office Limited has its own definition of "rural" which does not coincide with those of the Assembly Government and local authorities. This could heighten any incentive/disincentive effects as identified above and be counterproductive to overall rural policy. It is also questionable value for money for the Assembly. If the RRR scheme is to remain in existence then it is suggested that this Guidance should be revised to be in line with clear policy objectives set for it.

These inconsistencies in interpretation and application were identified also identified in a study by the Wales Co-Operative Centre in 2002. This report looked at the application of relief guidance and legislation in 5 unitary authorities and found different policies in each.

Relocation of businesses

There is a view that there is an incentive/disincentive effect in respect of business start ups/relocations related to the first two inconsistencies identified above. This may result in businesses choosing to set up in particular areas because of eligibility to RRR. This may be regarded as positive in one sense but could have a negative impact, dependent on the type of business, if it puts undue pressure on transport systems and other services within rural communities. Another common perception is that businesses have a tendency to relocate to areas defined as rural in order that they become eligible for rural rate relief. .

Sole Post Office/General Store

The 1988 Act sets the requirement that to be eligible for RRR a post office or general store must be the sole establishment of its kind in the rural settlement. This would seem to disadvantage other types of business under the Welsh scheme, as to be eligible other types of business do not need to be the sole provider in the rural settlement. Primary legislation would be required to amend this if RRR relief is retained. If a small business scheme were to be introduced this could be addressed in secondary legislation made by the Assembly.

Inconsistencies in the Granting of Discretionary Rural Rate Relief

Following on from above, a Local Government Association (LGA) briefing 'Open all hours?- An LGA briefing and advice report on local authority help to village shops and post offices' (2000) based on a survey of authorities

(including Welsh unitaries) identified that inconsistencies exist in the granting of discretionary reliefs between local authorities. Some authorities grant no discretionary relief at all and did not advertise the scheme in any way while others were more proactive in promoting take up and application. The LGA report concluded that all authorities base their discretionary rate relief schemes on the premise that eligible businesses have to provide a valued service to the community and that the relief must be in the interests of the council tax payer.

Role of Community Councils

The LGA report also identified a role being played by parish councils (community councils in Wales) in supporting vital businesses, in particular village shops and post offices, in their areas. For example, some parishes are invited to pay and agree to meet half of the 25% cost of the discretionary rate relief cost which falls on the council tax payer. It was also discovered that parish councils may be providing assistance to these businesses in other ways and one case was identified where a parish council was paying the rent on a village shop. However, it was also noted that there may be legislative issues which could constrain parishes (community councils in Wales) from doing more in this vein. Therefore, there may be some potential to explore the role of community councils in supporting local businesses.

Flexible Payments

One suggestion arising from the research paper was for a more flexible system for payment. For many small businesses, cashflow is a problem. By encouraging local authorities to introduce more flexible payment options for business rates, this could contribute to the support and sustainability of SME's in Wales. It is also important that local authorities advise businesses of the opportunity to obtain a revaluation of their premises where there is a material change in circumstance such as a major roadwork scheme which affects passing trade.

Better information for ratepayers

The sharing of information and best practice is an issue for consideration within non-domestic rate relief community in Wales. A recent survey of local authorities, as part of research undertaken by the Welsh Assembly Government, showed that some were very pro-active in the promotion of discretionary reliefs, using methods such as advertisements in the local press. Ways of sharing best practice and the dissemination of high quality information to and education of non-domestic ratepayers on the reliefs available is an issue for consideration.

Basis for Reliefs

As mentioned earlier, the term 'small business' currently related to the size of the business premises. Presently, non-domestic rate reliefs are calculated using the rateable value of a hereditament. Although this may be feasible for non-application based schemes, an application based scheme allows for a broader criterion by which reliefs can be determined, for example number of employees, turnover, etc. A broader criterion may prove more useful for targeting reliefs at specific areas that have been identified as in need of support.

It may also be useful to consider issues such as community need and a criteria for by which it can be determined if a business is vital to the needs of a community. There are a number of companies in existence, such as car pooling schemes for areas with limited public transport that serve the local community (for example providing transport to a job interview). Although isolated communities are often associated with rurality, this problem is not solely confined to rural areas, and is something that many areas around Wales experience. It would be worth considering whether a list of criteria that covers schemes such as this, and other areas of social enterprise, can be applied to application based schemes. The Small Business Service (SBS), an agency of the Department of Trade and Industry, produced a set of criteria relating to social enterprise that may be a useful starting point should you wish to make suggestions for consideration. (Small Business Service Survey of Social Enterprise Across the UK (July 2005)). An example of a few of the criteria is listed below.

- The providing of products or services for payment is a regular, everyday activity;
- At least 25% of funding is generated from trading;
- Social or environmental goals are pursued; and
- Profit or surplus is re-invested to realise and further the social / environmental goal.

Part 3

Suggested Options for Change

In considering whether the current arrangements should be changed it is appropriate to reflect on the purpose of business rate relief. The research undertaken suggests that rate relief is not the most appropriate policy intervention for achieving economic policy aims. This was supported by the findings of the policy gateway session.

The Assembly Government believes that the role of rate relief is not to support the development of new business or the creation of jobs. In some cases this might be an unintended benefit but as there is so much uncertainty as to who benefits from rate relief it is unlikely to be an effective intervention because it is too blunt i.e. spread too thinly to be effective at an individual business level and cannot be targeted without making the system unwieldy.

It must be stressed that there are other support mechanisms available to small businesses which can be targeted and therefore are more likely to be effective. Examples of the support provided by the Assembly Government and other agencies are listed at Annex B.

Rate relief could however be an essential tool in social policy particularly where there is an overwhelming need to ensure that communities are sustainable. The deficiency of the current policy in this regard has already been highlighted but it is worth once again referring back to the results of the policy gateway session. The issue of sustainable communities cuts across many of the Welsh Assembly Government's strategic policies e.g. Communities First areas, and where it is appropriate to sustain business in rural communities. The objectives of providing rate relief to small business must be in tune with the policies set out in Wales: A Better Country. The focus of this consultation is therefore to ensure small businesses remain sustainable in those communities that need them most.

Consultees are therefore requested to consider the options set out below in light of their likely contribution to ensuring communities remain sustainable by supporting businesses within them which provide invaluable services to citizens. Please note that options 3 and 4 each contain 3 variants.

Option 1 - Status Quo

- *Does not promote social inclusion and social justice for all as the relief remains targeted at rural communities.*
- *It does help stabilize the economic base of rural Wales.*

- The option means continuing with the current arrangements. At present, there are a number of mandatory and discretionary reliefs granted by the National Assembly for Wales and by local authorities. These are set out in Annex D. This includes the existing rural rate relief scheme, which was extended as part of the Rural Recovery Plan as a response to the Foot and Mouth outbreak, and discretionary reliefs such as hardship relief.
- However, the research suggests that the current system is not satisfactory for a variety of reasons as the funding is not targeted effectively. For example, the lack of 'spatial equality' (without suitable justification) between businesses in urban and rural areas. Also, the rationale for the extension of the existing scheme has now 'passed its sell by date' and in terms of growth, rural areas have been achieving higher rates than some of their urban and valley counterparts.
- This option would not provide for a specific small business rate relief scheme.

Option 2 – Discontinue Rural Rate Relief in Wales and do not introduce a Small Business Rate Relief Scheme

- *Does not broaden the economic base of rural Wales*
- *This would ensure local authorities deliver a consistent policy and remove the inconsistent approach to the rural settlement guidance*

- This option would mean that, aside from rural rate reliefs, the remaining mandatory and discretionary reliefs would stay the same, including the reliefs for charitable organizations and hardship relief.
- This would remove the responsibility on local authorities to maintain rural settlement lists and would remove the issue of inconsistent application of guidelines on determining rural settlements.
- However, this would not introduce any support and sustainability for the small business community.

Option 3 - Retain and Reform Rural Rate Relief to be complimented with either an

- a) area based, targeted, SBRR scheme or;**
- b) an all-Wales entitlement based SBRR scheme or;**
- c) an application based SBRR scheme.**

- *Can help stabilize the economic base of rural Wales*
- *Promotes social inclusion and social justice for all as it targets small business across Wales as a whole*
- *Could be used to remove any inconsistency in the policy approach to rural rate relief guidance across Wales*
- *Promotes and supports social and community businesses*

- Rural Rate Relief would be retained and reformed so that it focuses on the original policy intention of supporting the businesses that are vital to rural communities. The scheme was extended as part of the Rural Recovery Plan as a response to the Foot and Mouth outbreak in 2001. It has not been reviewed since.
- This would be accompanied with a small business rate relief scheme and there are three variants of this for consideration -
 - An area based, targeted scheme would work on the same premise as the rural rate relief, that is targeting relief at those businesses vital to a community in a specific area, for example in a Communities First area;
 - An all-Wales entitlement based scheme would need to decide who should be eligible for reliefs and if the current rateable value thresholds are sufficient or should be reformed;
 - An application-based scheme would need to consider eligibility for granting rate relief. Relief could be targeted at very specific objectives or areas with this option.
- The first two variants are entitlement, not application based schemes, so there would be less of an administrative burden on local authorities. However, there would still be administrative responsibilities for the upkeep of lists as currently seen with the rural rate relief.
- An application-based scheme could prove a larger administrative burden on local authorities, as well as businesses who would have to go through an application process, in comparison with an entitlement-based scheme. In addition, local authorities would continue to maintain the rural rate relief scheme.

Option 4 – Abolish Rural Rate Relief to be replaced by an

- a) all Wales area based, targeted SBRR Scheme or;**
- b) an all-Wales entitlement based SBRR scheme or;**
- c) an application based SBRR scheme**

- *Promotes social inclusion and social justice for all as it targets all small businesses in Wales.*
- *Could help develop a consistent policy approach across all Local Authorities in Wales*
- *Promotes and supports social and community businesses*

- This would mean abolishing the rural rate relief scheme, but retaining other reliefs such as charitable relief and hardship relief. A small business rate relief scheme would be introduced and there are three variants of this for consideration –
 - The targeted scheme would be aimed at businesses that are of importance to a community in both rural and urban areas. Consideration is needed for which businesses would be targeted. It could be post offices, general stores or any small business that serves the needs of a local community;
 - The entitlement scheme would mean that there would be no distinction between rural and urban businesses. The scheme would be open for all small businesses that provide a service that is vital to the local community. As this would be entitlement based, it would need to be decided who would be eligible for reliefs and if the current rateable value thresholds are sufficient or if they should be reformed;
 - An all Wales application based scheme would be applicable across Wales as a whole and would remove any divide between support for urban and rural communities. Although application based, consideration will have to be given to eligibility for granting rate relief and guidance developed. Relief could be targeted at very specific targets or areas.
- The first two variants are entitlement, not application based schemes, so there would be less of an administrative burden on local authorities. Moreover, since there would be no rural rate relief scheme with this option it has the added simplicity of being only one scheme.
- The application-based scheme could prove a larger administrative burden on local authorities, as well as businesses, in comparison with an entitlement-based scheme but again, since there would be no rural rate relief scheme with this option it has the added simplicity of being only one scheme.

Comments

Consultees are asked to complete the form below and return it to the address provided on page 2, either in hard copy or via e-mail. If you have any queries, please contact the telephone number provided on page 2.

The National Assembly for Wales intends to publish the responses to this document.

Normally, the name and address (or part of the address) of its author are published along with the response, as this gives credibility to the consultation exercise. If you do not wish to be identified as the author of your response, please state this expressly in writing to us.

1) Do you agree there is a need to reform the current system? If so, why?

2) What is your preferred option and why?

- 3) Any changes to the system should be targeted at the businesses that will benefit most and will in turn bring a benefit to the community. In what areas should relief be applicable and how should they be determined?

- 4) Should the type of business be applicable to Wales as a whole or differ between areas?

- 5) When should reforms be introduced (please consider the timing of making any legislative changes and changes to software systems)?

Annex A – Reliefs: All Wales Total 1997-2005 (in thousands)	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	TOTAL
Mandatory reliefs - reductions - charitable occupations	-18156.157	-20028.243	-20570.388	-22005.784	-23539.6003	-24734.095	-25315.4317	-26343.7688	-180693
Mandatory reliefs - reductions - charitable occupations: prior years	-416.078	-30.737	39.32	329.294	-389.303	556.312	525.72637	246.53971	861.0741
Mandatory reliefs - reductions - community amateur sports clubs	.	.	.	.	.	.	.	-1172.94769	-1172.95
Mandatory reliefs - reductions - rural shops and post offices	.	-176.474	-239.039	-239.764	-252.38895	-9585.97	-10317.6471	-10831.854	-31643.1
Mandatory reliefs - reductions - rural shops and post offices: prior years	.	.	-12.087	-10.039	-32.198	-5.465	-142.305	-73.15181	-275.246
Mandatory reliefs - reductions - partly occupied premises	-1262.067	-1799.847	-1411.792	-1410.038	-2541.55	-3179.907	-3841.53027	-2896.44924	-18343.2
Mandatory reliefs - reductions - partly occupied premises: prior years	-241.216	-320.708	-282.724	-316.84	-525.551	-621.226	257.00227	-469.5987	-2520.86
Mandatory reliefs - reductions - empty premises	-31952.041	-33821.433	-33959.47	-27867.077	-35610.9307	-37914.389	-39754.8705	-39571.4319	-280452
Mandatory reliefs - reductions - empty premises: prior years	417.666	-297.405	-3247.885	519.714	-1205.012	388.172	-282.51956	-233.00723	-3940.28
Sub Total	-51609.893	-56474.847	-59684.065	-51000.534	-64096.5339	-75096.568	-78871.5755	-81345.6697	-518180
Discretionary reliefs - reductions - charitable occupations	-322.464	-314.364	-327.149	-132.322	-165.087478	-248.28994	-474.92531	-492.897115	-2477.5
Discretionary reliefs - reductions - community amateur sports clubs	.	.	.	.	.	.	.	-17.73	-17.73
Discretionary reliefs - reductions - non-profit making bodies	.	-1110.433	-1213.061	-751.164	-1014.38973	-1931.68218	-3173.30653	-3110.44737	-12304.5
Discretionary reliefs - reductions - rural shops and post offices	.	-71.325	-106.687	-25.403	-38.1254425	-1938.559	-3786.41674	-4229.79546	-10196.3
Discretionary reliefs - reductions - other small rural businesses	.	-128.114	-209.305	-209.115	-353.046	-986.996	-2824.30996	-2297.09062	-7007.98
Discretionary reliefs - reductions - hardship	-7.857	-152.107	-48.146	-82.596	-9655.06715	-93.784	-44.27	-12.8356325	-10096.7
Discretionary reliefs - reductions - charges on property	0	0	0	0	0	0	0	0	0
Discretionary reliefs - reductions - other occupiers	-742.241	.	.	.	.	.	.	.	-742.241
Sub Total	-1072.562	-1776.343	-1904.348	-1200.6	-11225.7158	-5199.31112	-10303.2285	-10160.7962	-42842.9
Total	-52682.455	-58251.19	-61588.413	-52201.134	-75322.2497	-80295.8791	-89174.804	-91506.4659	-561023

Annex B – Support to Small Businesses

Below is a list of schemes designed to assist the set up and regeneration of small businesses in Wales. This list does not include every source of funding available, and should you require further or more specific information, you should contact Business Eye on the number given below.

Business Eye

Pan-Wales service, which provides free impartial business support information and can signpost existing, new and potential businesses to business support providers. Tel : 08457 96 97 98

The Potentia Programme

One to one advice and guidance to individuals in the early stages of considering setting up in business, targeted at under represented groups.

The New Business Starts Programme

An individual assessment of needs, followed by training, mentoring, and one to one advice to help get the business going.

SME Equality Programme

Expert Advice and guidance tailored for individual SME's needs covers equalities legislation and best practice.

High Growth Starts Programme.

Assistance to individuals starting enterprises with a predicted turnover of over £1m.

G2E

Tailored assistance for graduates wishing to set up in business.

General Business Advisory Service

Provides quality general business analysis and advice to existing SMEs throughout Wales to ensure their sustainability and growth.

NB.

The New Business Starts and General Business Advisory Service will be merged in April 2006. This integrated service will provide high quality advice and support to potential, new and existing SMEs in Wales through a consistent, flexible, comprehensive offering, available throughout the lifecycle of the business.

Regional Selective Assistance (RSA)

Helps support capital investment projects in the Assisted Areas that create new jobs or safeguard existing ones. The grant is available to manufacturing companies and those service sectors who serve more than a local market.

Assembly Investment Grant (AIG)

Available to SMEs investing throughout Wales with grants from £5,000 to £50,000 available. To qualify, companies need to be making a capital investment in a manufacturing or a service sector activity that serves more than just a local market.

Wales Innovators Network/ Innovation Credits

The Innovation credit fund is a small grant fund for SMEs supporting early stage development (up to £1,500 at 50% of the project cost)

The Knowledge Exploitation Fund

Enables SMEs to access the knowledge and skills held in the further and higher education sectors.

The Spinout Fund- Accessed through Finance Wales and aimed at nurturing the creation of new businesses originating from the Higher Education Sector.

Adfywio

Links tourism and enjoyment of the countryside, supporting projects worth £6.1m with grants offered to the value of £2.5m (2002-3 WW report, see also the Rural recovery Plan below)

Processing and Marketing Grants

(WDA) Aimed at the agri-food sector. This grant scheme is designed to help processors and farmers in Wales become more competitive, respond to consumer demand and add more value to their products through capital grant support for processing facilities and revenue support grant to improve or rationalise marketing channels (see also Rural Recovery Plan below).

SMARTCymru

Research and Development (R&D) programme to assist new product and process development. It is a comprehensive pan Wales programme, from the Welsh Development Agency (WDA) that provides easy access to funding and a unique range of skills and expertise.

SMARTCymru has been developed in consultation with industry, with the specific aim of encouraging and supporting innovators to carry out R&D that has real commercial potential. Support is available for all phases of the development life-cycle, from feasibility to exploitation. It is open to all innovators who aim to create and exploit technologically innovative products and processes, based in Wales.

The programme was launched by Andrew Davies, Assembly Minister for Economic Development & Transport in September 2003. To date, the programme has supported 136 projects across Wales, resulting in £9.8m being committed in grant support which is expected to lever in over £17.5m in Private Sector Investment.

Technology Exploitation Programme

Financial support of up to £10,000 available to SMEs for investment in new technologies or to subsidise the cost of accessing this technology through expert providers such as universities.

ICT Advisory Service

Provides up to 4 hours free impartial ICT advice to small and medium sized businesses across Wales from any one of 24 centres located through Wales.

Environmental Goods and Services

Set up by the WDA and the Welsh Assembly Government specifically to help environmental companies take advantage of growth and trading opportunities.

Property Development Grant

Aid for the private sector of up to 50% of the eligible development costs for the provision of new premises for either speculative or bespoke schemes where there is a deficit between the cost and value of the completed development.

Business Premises Improvement Grant- Up to 50% of the eligible development costs from the WDA.

Development Finance Grant

Up to 50% of the total cost of financing the speculative development of business premises.

Regeneration Investment Grant

Up to 50% of the eligible development costs if the project assists the regeneration of an area through both economic and environmental benefits.

Town Improvement Grant

Improvement of the exterior of existing premises, generally as part of a strategy to improve the environment of an urban area- including rural villages. Normally up to a maximum of 50% of the cost.

Environmental Improvement Grant

For the improvement of industrial sites/estates, generally as part of an environmental improvement strategy.

Land Reclamation Grant

Aid for the improvement of the environment by reclaiming previously used or damaged land or premises for new use.

Support Tourism SMEs

Aims to provide integrated financial assistance for tourism SMEs.

Annex C - Policy Gateway Session

A Policy Gateway session was held between Welsh Assembly Government policy officials representing a number of divisions, such as rural affairs and economic development. The purpose of the session was to establish the overall effectiveness of the current system in achieving Welsh Assembly Government policy, based on the findings undertaken by desk research conducted by the Assembly Government's Local Government Finance Research Officer. The findings are detailed below.

1. A Policy Gateway session was held to consider the strategic fit of the current rate relief system with cross cutting Assembly strategies and policies. The session was attended by policy officials from various Divisions within the Assembly (including Economic Development, Rural Policy, Social Justice and Regeneration and Local Government Finance) and the WLGA (Welsh Local Government Association).

2. The Policy Integration Tool (PIT) attached at paragraph 13 was used to consider and evaluate the existing system of rate reliefs for strategic fit and to develop options for improving that fit.

3. The PIT has been designed to make sure that policies are developed and delivered that not only meet the Assembly Government's strategic agenda but do it in a way that fulfils commitments to sustainable development, equality of opportunity and social justice. Its use is intended to make the Assembly's policy making more transparent and accessible to colleagues inside the organisation and to people outside who have an interest in, or are affected by, Assembly Government policy. It is about "Made in Wales" policy making and forms a major element of the Policy Gateway process.

4. The PIT provides a mechanism that enables the group to have dialogue and debate around key policies and their connectivity, it is intended to generate new ideas and approaches, help identify gaps and opportunities and encourage joined-up thinking across the organisation.

5. Some important features of the PIT are:

- it covers all the cross-cutting themes, putting them at the heart of delivery of the Assembly Government agenda;
- the earlier it is used in the policy development process the better the outcomes;
- it should be used at key stages of the process to test the policy under development;
- the Tool is a *process* and not for use by one person working alone. It is used in a group of people with different policy interests who reach consensus on the impacts of the policy under consideration;
- it will not identify whether a policy is right or wrong but whether the impacts of the policy are likely to be more or less sustainable in social, economic and environmental terms;

- it offers the opportunity to think about and discuss how the policy can be improved.

6. The PIT was designed primarily for use in developing policies but it has been used successfully for policy review, programmes and grant schemes. It is seen by the Assembly Government as an important move away from the traditional (and unsustainable) system of developing policy in silos or boxes.

7. The use of the PIT has the full support of the Assembly Cabinet and Executive Board. It is believed that use of the tool in a Policy Gateway Session will fulfil key commitments including:

- the commitment in *Wales: A Better Country* to assess the impacts of proposed policies against sustainable development and the Better Country vision and use this assessment in consulting on policy proposals
- the requirements under the Race Relations Amendment Act to assess policies for their impacts on race relations and race equality, looking ahead to an overall approach to testing equality issues in the round; and
- the requirements of the social inclusion/social justice agenda.

8. The Assembly Cabinet has introduced a requirement for a completed Integration Tool to accompany all strategic policies going out to public consultation and has adopted this process as a means of addressing coherence and compliance in policy making.

9. The summary of the group discussions using the PIT in relation to the existing system of rate reliefs, held in June 2005, is set out in Table 10. The session generated some lively debate on the effectiveness of rate reliefs as a policy intervention in the area of economic development. Concerns were raised in particular about the potential relationship between rent levels and rate reliefs and also whether the amounts of relief involved in some cases would make a significant difference to business decisions relating to location, start up and/or closure. It was noted that in some cases what could be important was cash flow as opposed to the year end financial position. It was also noted that as the amounts involved in rate relief were unlikely to be large enough to increase employment or be significant enough for major reinvestment in the business, the most likely result would be in an increase in profit (or reduction in losses) which could result in an increased liability either to corporation or personal taxation depending on the nature of the business. Thus the overall 'gain' by the business would be reduced by an increase in other taxation.

10. It was felt that the current system is not particularly well targeted, even in the rural areas where there is eligibility to relief, but in particular the current system creates a marked spatial inequity between urban and rural areas. It was noted that some deprived communities might be suffering as a result of key social businesses not being supported in the same way as in qualifying rural settlements.

POLICY GATEWAY SESSION SUMMARY

The results represent the agreed outcomes of review of NDR rate reliefs being tested against the Assembly's Integration Tool that involved representatives from Rural Policy, Economic Development, Social Justice and Regeneration, Wales Spatial Plan, Local Government Finance and the Welsh Local Government Association. *Those representatives agree this is an accurate overview of their collective comments.*

Key: U – Undermining; P – Poor; N – Neutral; F – Fair; G – Good; E - Excellent

Wales: A Better Country Commitment	Overall Contribution						Explanation
1. Promoting the Economy	U <input type="checkbox"/>	P <input type="checkbox"/>	N <input type="checkbox"/>	F <input checked="" type="checkbox"/>	G <input type="checkbox"/>	E <input type="checkbox"/>	There should be more research and debate on the opportunity costs of using rate relief as a policy intervention in this area. Limited evidence of effectiveness- issues of the relationship between rent and rates and business dependency on subsidies.
2. Action on social justice for communities	U <input type="checkbox"/>	P <input checked="" type="checkbox"/>	N <input type="checkbox"/>	F <input type="checkbox"/>	G <input type="checkbox"/>	E <input type="checkbox"/>	In the communities in which relief is available it is 'fair' i.e. designated rural settlements but there are some communities, in particular some urban deprived areas, where relief could be needed for socially important businesses such as post offices and none is available. This could have a detrimental effect on the availability of services.
3. Action in our built and natural environment	U <input type="checkbox"/>	P <input type="checkbox"/>	N <input checked="" type="checkbox"/>	F <input type="checkbox"/>	G <input type="checkbox"/>	E <input type="checkbox"/>	It was noted that the policy could be making some contribution to some aspects within this category. However, this contribution was not felt to be significant enough to award a 'Fair'- it was also felt that this was not the main focus of rate relief policy and therefore there were no suggestions for improvement.
4. Strengthening Wales' cultural identity	U <input type="checkbox"/>	P <input type="checkbox"/>	N <input checked="" type="checkbox"/>	F <input type="checkbox"/>	G <input type="checkbox"/>	E <input type="checkbox"/>	Some elements of the policy were scored as fair in this category, for example, rate relief for community amateur sports clubs but overall the contribution of the policy to this category was felt by the group to be neutral.
5. Ensuring better prospects in life for future generations	U <input type="checkbox"/>	P <input type="checkbox"/>	N <input checked="" type="checkbox"/>	F <input type="checkbox"/>	G <input type="checkbox"/>	E <input type="checkbox"/>	Again it was noted that the policy could make a fair contribution to some elements in this category but overall the contribution was determined to be neutral. Again it was felt that this should not be the main focus of the policy and so there were no suggestions for improvement in this category.
6. Supporting healthy independent lives	U <input type="checkbox"/>	P <input type="checkbox"/>	N <input checked="" type="checkbox"/>	F <input type="checkbox"/>	G <input type="checkbox"/>	E <input type="checkbox"/>	The rationale for this score is as above.
7. Promoting openness, partnership & participation	U <input type="checkbox"/>	P <input type="checkbox"/>	N <input checked="" type="checkbox"/>	F <input type="checkbox"/>	G <input type="checkbox"/>	E <input type="checkbox"/>	The policy was felt to be neutral in respect of all aspects of this policy.

Summary Comments:

The Group felt that there was a lack of evidence as to how rate reliefs might make any direct or indirect contribution to some aspects of Wales: A Better Country. It was noted that what evidence there was available was anecdotal as opposed to evidence based.

It was therefore felt that where reliefs exist they might be making a contribution, albeit indirectly in the form of unintended benefits. However, there was a question mark over what a business could constructively do with small amounts of rate relief.

The other main concern raised by the group related to the targeting of reliefs as it was felt that reliefs might not be getting to the businesses most in need of assistance in the current system i.e. businesses in urban deprived areas.

Signed..... Date:

11. It was also noted that the original rationale for the extension of the rural rate relief scheme i.e the foot and mouth outbreak no longer existed. It was also noted that in this context most of the other aspects of the Rural Recovery plan had been time limited and had now been wound up.

12. The Group felt that the main focus for rate relief policy in terms of 'Wales: A Better Country' should be in the areas of promoting the economy and action on social justice for communities. However, it was noted that the policies were making or could have significant unintended benefits in the areas of action on our built and natural environment, strengthening Wales' cultural identity, ensuring better prospects for future generations and supporting healthy independent lives. For example, charitable reliefs in terms of promoting volunteering and relief for community amateur sports clubs.

13. Policy Integration Tool (PIT)



Forum for the Future

The Welsh Assembly Government Integration Tool

- The Assembly’s guiding themes are sustainable development, equality and social inclusion. Its current key areas are: helping more people into jobs; improving health; developing strong and safe communities; and creating better jobs and skills.
- This tool is based on these themes, areas and the objectives of the Strategic Agenda “Wales: A Better Country” (Sept 2003). It is



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

<p>Wales: A Better Country</p> <p>Key Objectives</p> <ol style="list-style-type: none"> 1. Promoting the economy 2. Action on social justice for communities 3. Action in our built and natural environment 4. Strengthening Wales’ cultural identity 5. Ensuring better prospects in life for future generations 6. Supporting healthy independent lives 7. Promoting openness, partnership and participation 	<p>Pages 1&2 should be completed by the sponsoring organisation or division</p>			<p>Completed By</p>	<p>Division</p>	<p>Date</p>	
	<p>Please complete all the unshaded sections</p>			<p>Lisa James</p>	<p>LGF4</p>	<p>3/6/05</p>	
	<p>Pages 3&4 should be completed by an Appraisal Group drawn either from a vertical slice through a division or a cross section of the organisation as a whole.</p> <p>Pages 3&4 must not be completed prior to the Appraisal Group meeting.</p> <p>The Appraisal Group should consider and come to a consensus on what contribution the activity makes to the aim outlined in each question before completing the explanation.</p> <p>The Appraisal Group process should take no longer than one hour</p>			<p>Appraisal Group</p>	<p>Division</p>	<p>Date</p>	
	<p>Please use the following scale when considering what contribution the activity makes</p>			<p>Checked By</p>	<p>Division</p>	<p>Date</p>	
	<p>N</p>	<p>Neutral:- does not contribute to the objective</p>	<p>F</p>	<p>Fair:- makes some direct or significant indirect contribution to the objective.</p>			
	<p>U</p>	<p>Undermining:- significantly undermines the objective.</p>	<p>G</p>	<p>Good:- makes a significant positive contribution to the objective</p>	<p>Approved By</p>	<p>Division</p>	<p>Date</p>
	<p>P</p>	<p>Poor:- does not fully explore the potential to contribute to the objective.</p>	<p>E</p>	<p>Excellent:- makes a close to optimal contribution to the objective</p>			

<p>What do you want to achieve in undertaking this project or policy?</p> <p>To identify any gaps and/or inconsistencies in business rate relief policy and ensure that the policy is consistent with and has a good strategic fit with the objectives set out in <i>Wales: A Better Country</i></p>
<p>What lessons have been learnt from previous similar activities in Wales or elsewhere?</p> <p>The business rate relief system in Wales has not previously been reviewed; however, evidence is being collected from England and Scotland on the relief systems in these countries. In particular the operation of a small business rate relief scheme.</p>
<p>What evidence have you gained from best practice and innovation in Wales or elsewhere?</p> <p>Evidence is being collected from stakeholders, many of whom are expert in systems in other countries in the UK.</p>
<p>Who has been involved in the development of this project or policy?</p> <p>The research project was commissioned by the Minister for Finance, Local Government and Public Services and is being undertaken by a Welsh Assembly Government researcher working in an independent capacity.</p>
<p>What are the measures of success?</p> <p>The policy developed as a result of this research should be consistent with and not undermine Welsh Assembly Government strategic policy. It should aim to achieve consensus between the three stakeholder groups of business, local government and the Welsh Assembly Government.</p>
<p>How will the policy or project be implemented?</p> <p>The recommendations of the research report will be considered by the Minister for Finance, Local Government and Public Services and if necessary secondary legislation will be made.</p>
<p>How have you determined the extent of any other related internal or external activities or proposed activities?</p> <p>A literature review of key Welsh Assembly Government policy documents has been undertaken and it is intended that this gateway session will also form part of this process.</p>
<p>How much will it cost?</p> <p>Costs will depend on the option taken forward from the research report- the attached policy document highlights the costs of the current system and the matters which should be taken into account when considering future options.</p>
<p>What are the sources of finance and have these been agreed?</p> <p>Any additional funding will need to be considered as part of the BPR process.</p>
<p>What are the staffing implications?</p> <p>There are no staffing implications. Implementation will be taken forward by existing staff in LGF and DLS.</p>

What are the significant milestones?
Implementation of any legislation will need to be at the commencement of a financial year and local authorities will need enough time prior to this to implement any changes. Existing recipients of rural rate relief will need 12 months notice if the scheme is changed. The main milestones will be these and when ratepayers receive their first bills based upon the new system.

What are the ongoing commitments?
The on going commitments relate to those ratepayers currently in receipt of reliefs- these will require 12 months notice of any change.

What arrangements are in place for monitoring and evaluation?
The monitoring and evaluation of the business rates relief system will form part of the LGF Research and Evaluation Plan.

What are the significant risks associated with this project or policy and how will they be managed?
The main risks are related to timing which will be addressed through project management, not meeting the expectation of stakeholders which will be addressed through wide consultation during policy development.

How have you considered the ways in which this project or policy might target specific areas and communities?
Yes. It is considering both the rural, urban and spatial planning aspects.

What are the long-term (25+years) impacts and implications and how are you addressing these?
The longer term implications relate to developing and sustaining SMEs within Wales and supporting those businesses which are vital to community survival. These are being addressed by considering the overall strategic fit of the policy and wide consultation with stakeholders.

What are the UK, European and global implications for and of the project or policy?
Implications in respect of EU state aid regulations will need to be kept in mind.

How does the project or policy enable the public sector to develop a stronger role in preventing and addressing the root causes of unsustainable trends in society?
It may have some impact in retaining businesses in key communities in both urban and rural areas. It should not undermine policies in these areas.

Additional question asking whether there is a need to conduct another form of statutory assessment e.g. Environmental Impact Assessment, Strategic Environmental Assessment?
If secondary legislation is to be made then a regulatory appraisal will need to be completed.

1. Promoting the economy		2. Action on social justice for communities	
1 a	Developing a dynamic and enterprising economy for Wales to create and attract high added-value businesses?	2a	Promoting social inclusion and social justice for all?
1 b	Promoting enterprise, innovation and spreading prosperity to all parts of Wales?	2b	Tackling poverty and poor health particularly in our most deprived communities?
1 c	Supporting better quality jobs and skills in all communities for the long term?	2c	Help individuals and communities to address the barriers to improving their quality of life?

1d	Creating new employment opportunities in the environmental goods and services and renewable energy sectors?	2d	Ensuring that all areas have access to good quality services?
1e	Encouraging research and development to promote innovative solutions and commercial opportunities in Wales?	2e	Enabling people to access good quality, safe and affordable housing?
1f	Physical and electronic communications networks to help access for all to work, services and markets?	2f	Enabling people to feel safe in their neighbourhoods and communities?
1g	Impacting positively on existing businesses by procuring goods and services locally?	2g	Providing resource efficient housing and reducing fuel poverty?
1h	Increasing the number of businesses actively demonstrating corporate social responsibility?	2h	Supporting local community voluntary action and volunteering?
1i	Supporting the development of a healthy workforce?	2i	Reducing economic inactivity and lowering dependence on welfare benefits?
1j	Promoting or supporting social or community businesses?		

3. Action in our built and natural environment		4. Strengthening Wales' cultural identity	
3a	Ensuring the diversity of nature is valued by increasing the area and quality of wildlife habitats?	4a	Promoting the cultural life of Wales?
3b	Encouraging prudent use of resources and minimising waste?	4b	Supporting the Welsh language as a vital part of our identity moving to a truly bilingual Wales?
3c	Broaden the economic base of rural Wales and widening access to the countryside?	4c	Encourage excellence and participation in sport and the arts?
3d	Promoting water conservation and protecting water supplies?	4d	Protecting and enhancing the landscape and historic heritage of Wales?
3e	Protecting the diversity and quality of inland and coastal waters and estuaries?	4e	Promoting our cultural strengths?
3f	Flood risk management?	4f	Promoting equality of opportunity in Wales?
3g	Tackling the causes of Climate Change?	4g	Promoting racial equality in Wales?
3h	Dealing with the outcomes of Climate Change?	4h	Reflecting differences across Wales?
3i	Realising the opportunities presented by Climate Change (e.g. renewable energy)?	4i	Expanding our international profile?

3j	Reducing the need to travel and encouraging walking, cycling and low carbon modes of travel?
3k	Limiting pollution to levels at which natural systems can cope without damage?
3l	Add value to Welsh produce by promoting local production and quality foods whilst supporting health and environmental goals?

5. Ensuring better prospects in life for future generations		7. Promoting openness, partnership & participation	
5a	Promoting life-long learning in Wales that contributes to personal fulfillment, social cohesion and cultural enrichment?	7a	Developing open & responsive government at all levels?
5b	Enabling people to develop the life skills they need to prosper in a modern, creative economy?	7b	Strengthening partnerships with government, business & voluntary sectors?
5c	Attracting and retaining talent – particularly young people - in Wales?	7c	Ensuring all relevant public agencies are delivering plans and improving services in an integrated way?
5d	Providing young people with the opportunities and resources they need for the best start in life?	7d	Establishing goals and monitoring for longer-term outcomes?
5e	Ensuring the needs of older and younger people are reflected in services and policy?	7e	Ensuring relevant stakeholders & active organisations are involved in the development and implementation of decisions?
5f	Facilitating wider participation and enabling people to have a greater say in building their future?	7f	Ensuring that those who are likely to be affected by the outcomes are engaged in the process of finding solutions?
6. Supporting healthy independent lives		7g	Encouraging active citizenship, engagement & participation?
6a	Improving access to services and facilities within communities?		
6b	Addressing the root causes of health problems and preventing ill health?		

6c	Reducing health inequalities?
6d	Enabling all people to enjoy healthier fulfilling lives?
6e	Creating social and physical environments that encourage and support health and well being?
6f	Reducing the causes of accidents?
6g	Providing access to and availability of good quality and affordable food?

Annex D

PROPERTY ELIGIBLE FOR RATE RELIEF	TYPE OF RELIEF	AMOUNT OF RELIEF	FINANCIAL IMPLICATIONS	
			Proportion offset against payments into NDR Pool	Proportion borne locally by community taxpayers
1. Property wholly or mainly used for charitable purposes which is occupied by a registered charity or charity shop.	a) Mandatory	80%	100%	-
	b) Discretionary	Up to a further 20%	25%	75%
2. Community Amateur Sports Clubs (CASCs)	a) Mandatory	80%	100%	-
	b) Discretionary	Up to a further 20%	25%	75%
3. Property, all or part of which is occupied for the purposes of a non-profit making:				
a) institution or other organisation whose main objects are philanthropic or religious or concerned with social welfare, science, literature or the fine arts; or	Discretionary	Up to 100%	90%	10%
b) club, society or other organisation and is used for the purposes of recreation				

4. Property, all or part of which is occupied, where the billing authority is satisfied that the ratepayer would suffer hardship	Discretionary	Up to 100%	75%	25%
5. Property, all or part of which is occupied, other than as trustee, by a charging or precepting authority	None	None	-	-
6. Property which is unoccupied for:				
a) 0 to 3 months	a) Mandatory	100%	100%	-
b) after 3 months	b) Mandatory	50%	100%	-
6. Property which is partly occupied for a short period only (Section 44A of the LGFA)	Discretionary	100%	100%	-
7. Property in designated rural settlements – a) sole general store, post office, food shops (£6,000 RV or less); sole public house and petrol filling station (£9,000 RV or less)	a) Mandatory	50%	100%	-
	Discretionary	Up to a further 50%	90%	10%
b) Other business properties (£12,000 RV or less)	b) Discretionary	Up to 100%	90%	10%