**Appendix 3**

**Falkirk Council**

**Discretionary Rates Relief (Occupied Subjects)**

**This replaces previous policy, agreed on 6th March 2001, and is effective from 1st April 2023**

# Scope

The policy outlines the situations in which the Chief Finance Officer may grant Discretionary Relief, where it is in interests of council taxpayers to do so. Awards are made on an indefinite basis, where circumstances remain the same, but can be terminated by Falkirk Council, at any point, with 12 month’s notice.

Unless otherwise stated Falkirk Council meets 25% of the cost of any award with the balance, 75%, being met from the national Non-Domestic Rates pooling arrangements.

# Discretionary Relief For Charities And Non-Profit Making Bodies

 The Chief Finance Officer may award up to 20% discretionary rates relief to registered charities which already receive 80% mandatory relief. In addition, the Chief Finance Officer may award up to 100% discretionary rates relief to organisations which are not registered charities but which are not conducted for profit and whose main aims are charitable or otherwise philanthropic or religious or concerned with education, social welfare, science, literature, or the fine arts.

# Sports Club Relief

 This will be awarded to sports clubs which practice a sport or activity recognised by sportscotland and which have bar takings of less than £264,000 per annum. If a sports club does not have a licence to sell alcohol, full rates relief is given. If a club does have bar takings, relief is awarded on a sliding scale (currently 90% to those with bar takings under £55,000 but reducing by factors of 10% down to 10% for those with bar takings between £238,0001 and £264,000). These thresholds are increased annually in line with the retail price index (all items).

 Where a sports club is a registered as a community amateur sports club (CASC) 80% relief will be awarded automatically and a further 20% relief will be awarded where gross profit on bar takings does not exceed 35% of cost of sales. There is currently no cost to Falkirk Council of relief awarded to CASCs.

# Hardship Relief

 Section 25A of the Local Government (Scotland) Act 1966 (as amended by section 156 of the Local Government etc. (Scotland) Act 1994) allows rating authorities to abate, in full or in part, a ratepayer’s liability where they are satisfied that: -

* The person would sustain hardship if the authority did not do so; and
* It is reasonable for the authority to do so, having regard to the interests of persons liable to pay council tax set by them.

On application by a ratepayer, the Chief Finance Officer may award hardship relief where they are satisfied that the ratepayer would otherwise suffer hardship and that the interests of council tax payers in the Falkirk Council area would be best served by awarding relief. In considering whether the interests of council taxpayers are being best served, the Chief Finance Officer may consult with other Services as appropriate, and will assess the extent to which an award safeguards employment, alleviates poverty and promotes local economic development.

# Discretionary Rural Relief

 Where a property is located in a rural settlement and its rateable value does not exceed the statutory maximum for rural rates relief, the Chief Finance Officer may make an award of discretionary rural rates relief, provided that the property in question is being used for purposes which benefit the local community and that the award of relief will generally serve the interests of council tax payers. The Chief Finance Officer may also make awards of discretionary relief in respect of the only general store or Post Office in a rural settlement that already receives 50% mandatory relief.

# Financial Implications

 There are no proposed changes to the policy agreed in 2001, other than the part occupation element is removed and now included in local Empty Rates Relief policy. Therefore there is financial implications resulting from this restatement of policy.

 As outlined in section 1 the award of Discretionary Rates Relief generally costs Falkirk Council 25% of the value of any award. This cost is considered by Chief Finance Officer when deciding if any award is interests of council tax payers.

# Review

 It is proposed that this policy is reviewed in tandem with Empty Rates Relief policy during 2024/25 and if/when there is any change to funding arrangements.