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Contact Officer:
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13 May 2020

Dear Councillor

During the emergency situation, we have adapted our processes so that **urgent** decisions can be made. We have introduced 'Individual Cabinet Member' decision making so that such decisions are taken transparently and with due accountability.

Please find attached details of individual Cabinet Member decisions that will be taken on Tuesday, 12 May 2020 at 1pm. If you have any representations please send them to Robert Robins, Democratic Services Manager by no later than Thursday, 7th May 2020.

1 DECLARATIONS OF INTEREST

Purpose: To receive any declarations and advise Members accordingly.

OPERATIONAL REPORTS

2 CONSULTATION ON CHARITABLE RATES RELIEF FOR SCHOOLS AND HOSPITALS (Pages 3 - 8)

Report of Chief Officer (Governance) - Cabinet Member for Corporate Management and Assets

Purpose: The Welsh Government is seeking views on charitable rates relief for schools and hospitals in Wales.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - TO CONSIDER THE EXCLUSION OF THE PRESS AND PUBLIC

The following item is considered to be exempt by virtue of Paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended).

The report contains details of proposed contracts and the public interest in revealing the information is outweighed by the public interest in withholding it until the contract has been awarded.

3 SALE OF NEWTECH SQUARE, DEESIDE BUSINESS PARK, DEESIDE, CH5 2NT (Pages 9 - 14)

Report of Chief Officer (Housing and Assets) - Cabinet Member for Corporate Management and Assets

Purpose: To approve the sale of Newtech Square, Deeside Business Park, Deeside, CH5 2NT

The following item is considered to be exempt by virtue of Paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended).

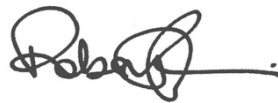
The report contains details of proposed contracts and the public interest in revealing the information is outweighed by the public interest in withholding it until the contract has been awarded.

4 SALE OF HOPE HALL FARM, HOPE (Pages 15 - 20)

Report of Chief Officer (Housing and Assets) - Cabinet Member for Corporate Management and Assets

Purpose: To support the sale of Hope Hall Farm, Hope comprising 101 acres of agricultural land, house and associated out buildings.

Yours sincerely



Robert Robins
Democratic Services Manager



INDIVIDUAL CABINET MEMBER DECISION

Report Subject	Business Rates – Welsh Government Consultation on Charitable Rate Relief for Schools and Hospitals
Cabinet Member	Cabinet Member for Corporate Management and Assets
Report Author	Chief Officer (Governance)
Type of Report	Operational

INDIVIDUAL CABINET MEMBER DECISIONS

During the emergency situation, we have adapted our processes so that urgent decisions can be made. We have introduced ‘Individual Cabinet Member’ decision making so that such decisions are taken transparently and with due accountability.

EXECUTIVE SUMMARY

Welsh Government is reviewing charitable rate relief awarded to schools and hospitals to ensure the system is as fair as possible. Each year, £230m of reliefs are provided to ratepayers in Wales of which £4.7m of relief is awarded specifically to certain schools and hospitals.

The consultation seeks views on whether there is a need to reform Charitable Rates Relief for some schools and hospitals to ensure that the support the Welsh Government provides through its rates relief schemes is properly targeted.

The consultation has been extended to 29 May as a result of the national emergency measures and the significant pressures on key stakeholders.

RECOMMENDATIONS

1	That any proposed reform of Charitable Rate Relief for schools and hospitals should be deferred due to the economic impacts of this emergency situation as the sustainability of the whole rates scheme, in its current form, might be in need of review by Welsh Government.
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REPORT DETAILS

1.00	EXPLAINING THE CONSULTATION FOR CHARITABLE RATE RELIEF FOR CERTAIN SCHOOLS AND PRIVATE HOSPITALS
1.01	This consultation discusses the role of charitable relief in supporting schools and hospitals, looking at the types of bodies which receive relief and whether it is appropriate that some schools and hospitals receive charitable rate relief. The consultation has been extended until 29 th May 2020.
1.02	A property subject to Business Rates can be eligible for charitable rate relief if it is occupied by a charity and the property is 'wholly or mainly used for charitable purposes' as defined by the Charities Act.
1.03	'The advancement of education' and 'the advancement of health or the saving of lives' are two charitable purposes in accordance with the Charities Act. Charitable schools in the public and private sector as well as private hospitals can therefore be eligible for 80% Mandatory Rate Relief where they can prove that they have been established for a charitable purpose and that purpose is for the public benefit.
1.04	Charitable Rate relief across Wales accounts for over £60m of annual Welsh Government support provided to help charitable organisations across all sectors with their Business Rates bills.
	CHARITABLE RATE RELIEF FOR SCHOOLS
1.05	There are around 1,800 schools in Wales. Of these, around 70 are classed as independent or private fee paying schools and 1,730 are maintained public sector schools and in total they contribute over £37m in rates revenue each year.
1.06	Not all independent and private school properties receive charitable relief. Eligibility for relief is dependent on each school's charitable status. Independent and private schools across Wales currently receive £1.4m of Charitable Rate Relief.
1.07	Some public sector voluntary aided public sector schools also qualify for Charitable Rate Relief and they receive a combined total of £3.3m of relief across Wales. Most of the voluntary-aided schools receiving charitable relief are operating as either a Church in Wales or a Roman Catholic school.
1.08	In Flintshire, there are 13 voluntary aided Church in Wales or Roman Catholic faith schools that qualify for 80% Charitable Rate Relief amounting to annual rate relief of £185k.
1.09	There are also 3 further education sites in the County that also qualify for Rate Relief amounting to annual rate relief of £556k, although the consultation does not currently explore the question of wider reform of Charitable Rate Relief for colleges and universities.

CHARITABLE RATE RELIEF FOR PRIVATE HOSPITALS	
1.10	There are currently 30 properties in Wales classified as private hospitals. Around half of the private hospitals in Wales receive charitable relief, with the total level of relief granted being just over £500K.
1.11	The hospitals receiving Charitable Relief tend to be specialist care units rather than the larger private hospitals operated by healthcare insurance providers. Over half of the hospitals receiving charitable relief are hospices providing end of life care. Others provide care for specific conditions, such as multiple sclerosis therapy and cancer care, and some offer care and support specifically for children.
1.12	There are no private hospitals or hospices operating from premises located in the County.
CONSULTATION QUESTIONS	
1.13	<p>Welsh Government are inviting views on the eligibility of schools and hospitals for Charitable Rate Relief and on the potential effects of making any changes. The Government recognise that certain private schools and healthcare facilities, for example hospices and specialist schools, provide unique services for public benefit based on the needs of individuals rather than their ability to pay.</p> <p>Other questions centre on whether the following organisations should be eligible for Charitable Rate Relief:</p> <ul style="list-style-type: none"> • Independent and private schools • Voluntary aided public sector schools • Private hospitals • Public hospitals

2.00 RESOURCE IMPLICATIONS	
2.01	At a local level, Charitable Rate Relief of £185k is provided to voluntary aided schools in the County, including Church in Wales and Roman Catholic schools, all of which are registered Charities and benefit from 80% Mandatory Rate Relief.
2.02	If, following the consultation, the Minister decides to remove rate relief for voluntary aided schools in Flintshire, without additional funding in Revenue Support Grant (RSG) to fund the additional Business Rate costs, there will be an additional budget pressures which will also impact on the Councils Medium Term Financial Strategy

3.00 IMPACT ASSESSMENT AND RISK MANAGEMENT	
3.01	Without consequential RSG funding, if Welsh Government decide to remove Charitable Rate Relief for the 13 Voluntary Aided schools in the

	County who receive 80% Rate Relief, there will be revenue implications of £185k for the Councils Revenue Fund Budget and for local Council Tax payers.
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4.00	CONSULTATIONS REQUIRED/CARRIED OUT
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4.01	The consultation seeks views on whether there is a need to reform Charitable Rates Relief for schools and hospitals to ensure that the support the Welsh Government provides through its rates relief schemes is properly targeted.
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5.00	APPENDICES
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5.01	The consultation document published by Welsh Government is available at https://gov.wales/sites/default/files/consultations/2020-04/charitable-rates-relief-for-schools-and-hospitals-in-wales_0.pdf
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6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
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6.01	<ul style="list-style-type: none"> • Local Government Finance Act 1988 • Charities Act 2011 – section 3(1) • Welsh Government – Consultation Document (WG39461) – “Charitable rates relief for schools and hospitals in Wales”
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7.00	CONTACT OFFICER DETAILS
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7.01	<p>Contact Officer: David Barnes, Revenues Manager Telephone: 01352 703652 E-mail: david.barnes@flintshire.gov.uk</p>
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8.00	GLOSSARY OF TERMS
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	<p>Business Rates: are a property based local tax on businesses calculated on the rateable value of the property. Although the Business Rate system and the rate of tax is set by Welsh Government, rates are administered and collected locally by each local authority and paid into a national collection pool for Wales.</p> <p>Charitable Rate Relief: Charity ratepayers are granted a mandatory 80% relief towards their Business Rates bill where the property is ‘wholly or mainly’ used for charitable purposes by that charity. A local authority can also give Discretionary Rate Relief of up to the whole of the balance (the remaining 20%).</p>
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	<p>Revenue Support Grant (RSG): represents the major element in the support for local revenue spending that the Council receives from Welsh Government. The objective of the RSG system is to enable authorities to provide a common level of service consistent with an aggregate figure of total standard spending (as assessed by Welsh Government using Standard Spending Assessments).</p> <p>Council Fund Revenue Budget: Prior to the start of each financial year, the Council is required to set a budget for its day-to-day expenditure to pay for local services. This is called a Revenue Budget and is the amount of money the Council requires to provide its services during the year, taking into account grants it also receives from Welsh Government.</p> <p>Medium Term Financial Strategy (MTFS): the approved strategic process by which the council expects to finance its activities in the medium term.</p>
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Business Rates – Welsh Government Consultation on Charitable Rate Relief for Schools and Hospitals

To be completed by Cabinet Member

1.) Please select one of the following options:

- a. **I do not have an interest under the Councillors' Code of Conduct in this report**
- b. I have a personal interest in this report because [insert details of interest]
- c. I have a personal and prejudicial interest in this report and it will need to be decided by the Leader of Council/Deputy Leader.

2.) My decision is to adopt the recommendation set out in this report as follows:

That any proposed reform of Charitable Rate Relief for schools and hospitals should be deferred due to the economic impacts of this emergency situation as the sustainability of the whole rates scheme, in its current form, might be in need of review by Welsh Government.

Reason for Decision:

As in the report.

Approved by:

Councillor Billy Mullin, Cabinet Member for Corporate Management and Assets



Date decision taken:

Tuesday, 12th May, 2020

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