

## **NNDR Discretionary and Hardship Rate relief Equalities Impact Assessment**

This Equality Impact Analysis (EIA) is considering the potential impact of changes to the Business Rates Discretionary and Hardship policy in the groups or with the characteristics protected in the Equalities Act 2010. These are:

1. Age
2. Disability
3. Gender Reassignment
4. Pregnancy and maternity
5. Race
6. Religion or belief
7. Sex (gender)
8. Sexual orientation
9. Marriage or civil partnership

### **Background**

Businesses in England are required to pay business rates on the premises that they occupy. However, a number of rate reliefs are available :

1. Businesses that are registered as charities can apply for mandatory rate relief which reduces their liability by 80%.
2. Sports Clubs that are CASC registered can apply for mandatory rate relief which reduces their liability by 80%.

The proposed to changes to the Discretionary Rate and Hardship Policy will not impact on these two groups.

Businesses can also apply for Discretionary rate reliefs. Those who already receive the 80% Mandatory relief can apply for a “20% top up”; in addition business that are not registered as a charity or sports clubs not registered with CASC can apply for a Discretionary rate relief of up to 100%.

The proposed changes to the Discretionary Rate and Hardship Policy will potentially impact these two groups.

### **Facts and Figures - Watford**

An analysis of what business rate reliefs are currently being paid is shown below :

	<b>Type of relief</b>	<b>£ value</b>	<b>No of businesses</b>
<b>A</b>	Mandatory	£2,615,578.97	132
<b>B</b>	Discretionary	£146,031.67	7
<b>C</b>	Hardship	£NIL	
<b>D</b>	Up to 20% “top up”	£312,243.63	(76)

Of the 132 businesses that receive 80% mandatory relief, 76 also receive a “top up” of upto 20%. 7 businesses are not CASC registered or registered as a charity.

## **Impact of the Revised Policy**

The types of organisations that currently receive these rate reliefs will be providing a wide range of services to all members and sectors of the community. The change is about the financial viability of the organisations, if they were required to pay the extra business rates.

The businesses that may find that they lose their rate reliefs in full or in part are more likely to be National Head Office type buildings where there are no public facilities within the building and therefore the local community is not deriving any direct benefits.

It is becoming increasingly common that local authorities will support the local charity shop outlet, or other facility where residents have access to facilities. It is not possible to gauge how many businesses may lose their discretionary rate reliefs until they submit their accounts as part of the review.

Businesses will be given a full 12 months-notice that they will need to re-apply for Discretionary rate relief and/or the “20% top up”. The intention of the new policy is to ensure that where businesses have sufficient income that they pay their business rates. The general rule of thumb being that where businesses have unrestricted funds available to them, that if they were to pay their business rates, they would still have more than 3 months of their usual running costs in reserves.

However, we will be encouraging sports clubs to seek CASC registration where they are not already registered and where appropriate advising others to seek charitable status.

The new policy will give businesses the right of appeal against any decision they receive and ultimately, if they are not deemed to be entitled to receive a discretionary rate relief, they can also apply for Hardship rate Relief.

## Form A – Relevance Test

### Function/Service Being Assessed:

Revised Discretionary and Hardship Rate Relief Policy effective 1/4/16

#### 1. Populations served/affected:

Universal (service covering all residents)?

Targeted (service aimed at a section of the community –please indicate which)?

All customers who are in receipt of housing benefit, whose benefit does not cover their rental liability.

#### 2. Is it relevant to the general equality duty? (see Q and A for definition of ‘general duty’)

Which of these three aspects does the function relate to (if any)?

1 – Eliminating discrimination, harassment and victimisation

2 – Advancing equality of opportunity

3 – Fostering good relations

Is there any evidence or reason to believe that some groups could be differently affected?

Yes

No

Which equality categories are affected?

Race

Age

Sexual Orientation

Disability

Gender

Religion

Gender reassignment

Marriage / civil partnership

Maternity / Pregnancy

#### 3. What is the degree of relevance?

In your view, is the information you have on each category adequate to make a decision about relevance?

Yes (specify which categories)

No (specify which categories)

All categories above may or may not have access to services provided by the organisations who are currently in receipt of services. There is no reason to believe that any of those groups would cease to exist as result of the rate relief being removed thus causing the organisations to be financially unviable. The revised policy is ensuring that those groups who need financial assistance will continue to receive it.

Are there any triggers for this review (for example is there any public concern that functions/services are being operated in a discriminatory manner)? If yes, please indicate which:

Yes – increase in advertising income

No

#### 4. Conclusion

On the basis of the relevance test would you say that there is evidence that a medium or high detrimental impact is likely? (See below for definition)

Yes

No

**Note:** if a medium or high detrimental impact has been identified then a full impact assessment must be undertaken using Form B.

Completed forms should attached as an appendix to the relevant report and a copy sent to the Community Partnerships Unit in Leisure and Community Services

#### Definition of Low, Medium or High detrimental impact.

For any one (or more) equality group the following evidence is found:

	<p><b>Evidence may come from one or more of the following sources:</b></p> <ul style="list-style-type: none"> <li>• Local service data</li> <li>• Data from a similar authority (including their EIA)</li> <li>• Customer feedback</li> <li>• Stakeholder feedback</li> <li>• National or regional research</li> </ul>
<b>High Relevance</b>	<p>The evidence shows a clear disparity (of more than 80% probability) between different sections of the community in one or more of:</p> <ul style="list-style-type: none"> <li>• levels of service access;</li> <li>• quality of service received; or</li> <li>• outcomes of service.</li> </ul>
<b>Medium</b>	<p>The evidence is unclear (or there is no evidence) if</p>

<b>Relevance</b>	there is any disparity in terms of: <ul style="list-style-type: none"><li>• levels of service access;</li><li>• quality of service received; or</li><li>• outcomes of service.</li></ul>
<b>Low Relevance</b>	The evidence shows clearly ( at least 80% certainty) there is no disparity in terms of: <ul style="list-style-type: none"><li>• levels of service access;</li><li>• quality of service received; or</li><li>• outcomes of service.</li></ul>