

**South Ayrshire Council**

**Report by Head of Finance, ICT and Procurement  
to South Ayrshire Council  
of 15 December 2022**

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**Subject: Non-Domestic Rates Reliefs**

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**1. Purpose**

1.1 The purpose of this report is to seek approval for the Non-Domestic Rates, (Business Rates) Empty Property Relief and Discretionary Relief policies.

**2. Recommendation**

**2.1 It is recommended that the Council:**

**2.1.1 approves the Non-Domestic Rates Empty Property Relief Policy with effect from 1 April 2023, as detailed in Appendix 1, and**

**2.1.2 approves the Non-Domestic Rates Discretionary Relief Policy with effect from 1 April 2023, as detailed in Appendix 2**

**3. Background**

**3.1 *Empty Property Rating and Reliefs***

3.1.1 With effect from 1 April 2023 local authorities in Scotland will require to create their own policy for Non-Domestic Rates, (commonly known as Business Rates), charged for unoccupied or empty properties. Empty property rating (EPR) and relief will no longer be mandatory as the existing EPR legislation will be repealed, and will be replaced with a local rates relief scheme in accordance with the Community Empowerment (Scotland) Act 2015, although unlike other reliefs available under the Community Empowerment act the Scottish Government has committed to funding local EPR schemes in the first instance.

3.1.2 The level and value of EPR awarded is currently restricted to specific time limits; unoccupied industrial property is eligible for 100% relief for the first six months from becoming unoccupied and thereafter 10% relief indefinitely. Other (non-industrial) unoccupied property is eligible for 50% relief for the first three months from becoming unoccupied and thereafter 10% relief indefinitely. A change of ratepayer does not affect the qualifying time period.

3.1.3 Certain categories of unoccupied properties are not liable for rates, i.e. they are exempt from the empty property rates charges detailed in

paragraph 3.1.2, e.g. listed buildings, property with a rateable value (RV) under £1,700 and properties prohibited by law from occupation. Full details of all exempt categories is listed in Appendix 1.

- 3.1.4 Under the current system of local government finance income recovered from Non-Domestic Rates (NDR) is paid to the Scottish Government who then redistribute the appropriate sums to local authorities based on returns submitted by the Council. These arrangements are commonly known as the 'rates pooling' arrangements. The Scottish Government has committed to funding local EPR schemes based on an average of two previous years EPR awarded (specific years yet to be decided) however no exact details have been provided at this date.

## 3.2 ***Discretionary Rates Relief***

- 3.2.1 There are a number of types of reliefs that can be claimed by Non-Domestic Rates payers and they fall into two main categories. Mandatory Relief where the criteria are set nationally and there is no cost to the authority; and Discretionary Relief that can also only be awarded where certain criteria are met but the Council has the discretion to determine additional criteria and limits to the relief. In these cases only a percentage (typically 75%) of the relief granted is met by the government. The balance of the relief granted (typically 25%) must be met by the Council, i.e. the Council Tax Payers.

- 3.2.2 The current discretionary relief policy has been in place since 2008 and remains largely unchanged from the various discretionary relief policies approved by the former Strathclyde Regional Council and subsequently adopted by South Ayrshire Council. A range of legislation enables the Council to consider discretionary relief of rates for businesses meeting the following criteria:

- Charitable and non-profit making organisations;
- Recreational and sports clubs;
- Charity shops;
- Hardship cases;
- Businesses located in defined rural settlements; and
- Other local reliefs and reductions.

- 3.2.3 Local authorities in Scotland are required to award mandatory relief of rates to registered Scottish charities amounting to a maximum of 80%, provided that the property is occupied by the charity in furtherance of its charitable aims. Authorities also have the discretion to grant relief of up to 100% to ratepayers who qualify for mandatory relief. The Council meets 25% of the cost of any top-up award. Discretionary relief currently awarded to charities accounts for over 94% of the costs to the Council of all discretionary reliefs awarded, as detailed in paragraph 6.2.1 below.

- 3.2.4 Non-profit making organisations that are not registered charities are not entitled to mandatory relief and so 25% of any discretionary relief awarded by the Council must be funded locally. Existing policy does not allow any discretionary relief to be awarded where the non for profit organisation

has a licence to sell alcohol. This is currently different to reliefs awarded to licensed sports clubs who are entitled to relief (dependent on the level of sporting activity versus bar/catering turnover). Reliefs for licensed sports clubs is fully funded by the Rates pool.

- 3.2.5 It should be noted that some organisations entitled to claim discretionary rates relief may also be entitled to other types of mandatory rates relief, such as small business relief, where this is the case the mandatory reliefs will be considered in the first instance.

## **4. Proposals**

- 4.1 Full details of the EPR policy is attached at Appendix 1. As these are newly devolved powers and in line with the majority of other Councils the intention of the proposed EPR policy is to ensure the reliefs and charges applied are the same as those currently allowed under the current statutory powers as follows:

4.1.1 Unoccupied industrial property will be eligible for 100% relief for the first six months since becoming unoccupied and thereafter 10% indefinitely;

4.1.2 Non-industrial unoccupied property will be eligible for 50% relief for the first three months since becoming unoccupied and thereafter 10% indefinitely;

4.1.3 A change of ratepayer does not affect the qualifying time period; and

4.1.4 Unoccupied property that meet certain criteria (as detailed in Para 2.3 of Appendix 1) is exempt from paying the empty property rate.

- 4.2 Full details of the Discretionary Reliefs policy are attached at Appendix 2. The policy now brings together all current discretionary reliefs available into one document. The intention is to retain all existing discretionary relief arrangements and to agree a new relief to be available to not for profit organisations as follows:

4.2.1 Discretionary relief may be awarded to not for profit organisations who hold a licence to sell alcohol, and who currently do not qualify for relief under any existing policy, where the sale of alcohol is incidental to the main purposes for which a property is occupied. The organisation must not be a national body and its aims and objectives must be to benefit South Ayrshire Council residents. Relief will be limited to properties with an Rateable Value of £51,000 or under as 25% of any reliefs awarded will be met directly by the Council.

- 4.3 These policies will be subject to review within two years should funding arrangements from the Scottish Government change, and to accommodate any further changes in legislation or to meet any other local requirements.

## **5. Legal and Procurement Implications**

5.1 There are no legal implications arising from this report.

5.2 There are no procurement implications arising from this report.

## **6/**

## 6. Financial Implications

6.1 The Scottish Government has committed to meet the funding of locally approved Empty Property relief (EPR) schemes in the first instance based on a 'quantum' of £105M nationally and allocated to each council based on the average of two previous years costs with full details of each year and the percentage allocated to the Council still to be confirmed.

6.1.1 The actual costs of EPR awarded in South Ayrshire in the last three years were as follows:

Year	Value of Relief (£m)
2018/19	1.35
2019/20	1.46
2020/21	1.66

6.2 Funding for Discretionary Reliefs will continue to be met from existing budgets.

6.2.1 The actual costs to the Council in awarding Discretionary Reliefs in the last three years were as follows:

Year	Cost to council (£m)
2018/19	0.102
2019/20	0.103
2020/21	0.102

## 7. Human Resources Implications

7.1 Not applicable.

## 8. Risk

### 8.1 *Risk Implications of Adopting the Recommendations*

8.1.1 The risk associated with adopting the recommendations is that Scottish Government funding arrangements do not fully cover reliefs awarded and this may increase the financial burden on the Council. This will be monitored and if required a review of the policies will be undertaken which should ensure this risk is mitigated

### 8.2 *Risk Implications of Rejecting the Recommendations*

8.2.1 The risk associated with rejecting the recommendations is that the Council does not meet its legal requirements.

## 9. Equalities

9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as Appendix 3.

## 10. Sustainable Development Implications

- 10.1 **Considering Strategic Environmental Assessment (SEA)** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

## 11. Options Appraisal

- 11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

## 12. Link to Council Plan

- 12.1 The matters referred to in this report contribute to Commitment 1 of the Council Plan: Fair and Effective Leadership/ Leadership that promotes fairness.

## 13. Results of Consultation

- 13.1 There has been no public consultation on the contents of this report.
- 13.2 Consultation has taken place with Councillor Ian Davis, Portfolio Holder for Finance, Human Resources and ICT, and the contents of this report reflect any feedback provided.

## 14. Next Steps for Decision Tracking Purposes

- 14.1 If the recommendations above are approved by Members the Head of Finance, ICT and Procurement will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

Implementation	Due date	Managed by
Implement new Empty Relief Policy	1 April 2023	Service Lead - Revenues and Benefits
Implement new Discretionary Relief Policy	1 April 2023	Service Lead - Revenues and Benefits

**Background Papers** Not applicable

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**Date:** 5 December 2022

## South Ayrshire Council

### Non-Domestic (Business) Rates Empty Property Rating & Relief Policy

#### 1. Background

- 1.1 With effect from 1 April 2023 local authorities in Scotland will require to set their own policy for the rating of unoccupied properties. Empty property rating and relief will no longer be a mandatory relief of rates as the current regulations will no longer apply from that date but will move to being a discretionary rates relief scheme with reliefs awarded under the Community Empowerment (Scotland) Act 2015. (It is anticipated that the current legislation S24-25 of the Local Government (Scotland) Act 1966, the Non-Domestic Rating (Unoccupied Property) (Scotland) Regulations 1994, and the Non-Domestic Rating (Unoccupied Property) (Scotland) Regulations 2018 will be amended or repealed by the Scottish Government).
- 1.2 The Council policy will in the first instance replicate the existing legislative arrangements and will be subject to review should funding arrangements change or to take account of any other local arrangements.

#### 2. Relief Policy

2.1 The following reliefs will apply;

- 2.1.1 Unoccupied industrial property is eligible for 100% relief for the first six months since becoming unoccupied and thereafter 10% indefinitely.
- 2.1.2 Non-industrial unoccupied property is eligible for 50% relief for the first three months since becoming unoccupied and thereafter 10% indefinitely

2.2 The following criteria should be also be noted;

- 2.2.1 A change of ratepayer does not affect the qualifying time period
- 2.2.2 Plant and machinery can be kept on property without that being classed as occupation
- 2.2.3 Shooting rights may be considered unoccupied if no commercial shooting/stalking takes place. If there are no buildings on the land this relief is 100%.

**2.2.4** From 1 April 2020 and for the purpose of determining eligibility, a property is treated as if it had been unoccupied during any period of occupation that ended within six months of when it started

**2.3** Unoccupied property meeting any of the criteria below is not liable for rates (i.e., they are exempt from the empty property rate):

- property not comprising one or more buildings or a part of a building (e.g., ground or land, etc. that contains no buildings);
- listed buildings;
- subject of a building preservation order;
- rateable value (RV) under £1,700;
- owner in administration (or subject to an administration order);
- owner is a company or limited liability partnership subject to a winding-up order made under the Insolvency Act 1986 or being wound up voluntarily under that Act;
- occupation prohibited by law;
- action taken by or on behalf of the Crown or any public authority with a view to prohibiting occupation or to acquisition (e.g., compulsory purchase order);
- person entitled to possession only so entitled as a liquidator, as the trustee under a trust deed for creditors or an award of sequestration, or as the executor of a deceased person's estate.

**2.4** Empty relief may be considered and awarded where part of a property is not being used and is completely unoccupied for a short time. This will apply to former industrial premises only, where the value of the unoccupied part is greater than 5% of the total rateable value, and for a maximum period of 3 months per financial year.

### **3. Subsidy Control**

**3.1** Empty Property Relief can be regarded as a general measure and is therefore unlikely to require to be awarded as Trade & Cooperation Agreement (TCA) Minimum Financial Assistance (MFA).

However where commercial activity applies, the Council will have to consider whether this must be awarded with respect to the TCA minimum financial assistance (MFA) criteria. It is therefore important that applicants are made aware of this and that this is reflected within the application and award processes.

### **4. Application Process**

**4.1** In order to make an application for Empty Property Relief an application form must be fully completed and submitted with relevant supporting evidence. Application forms are available on the Councils website [Empty property relief - South Ayrshire Council \(south-ayrshire.gov.uk\)](https://www.south-ayrshire.gov.uk)

**4.2** Empty Property Relief will be awarded in accordance with this policy, subject to verification by Senior Revenues Advisor/Revenues Co-ordinator if required, e.g. where supporting evidence may be limited

**5. Backdating**

**5.1** An application for relief can be backdated to the start of the financial year in which the application is made provided the organisation satisfied the requirements at that time. Any applications for the previous financial year can be considered provided sufficient evidence is submitted in support of the application. Consideration should also be given where an organisation has been rated retrospectively either through the actions of the Council or the Assessor.

**6. Appeals**

**6.1** In cases where applications for rates relief have been rejected the rate payer may request an appeal be heard by the Council's Appeals Panel. The decision of the Appeals Panel will be final.



## South Ayrshire Council

### Non-Domestic Rates Discretionary Relief Policy

#### 1. Background

- 1.1 Prior to the creation of South Ayrshire Council, the predecessor authority, Strathclyde Regional Council, had a range of policies and guidance on the application of discretionary rates relief. This had developed over a number of years to such an extent that the policy was spread across numerous documents and was no longer contained within a single document. South Ayrshire Council adopted these policies at its inception, as well as amending and adding to them over time.
- 1.2 This policy now consolidates the various discretionary rates policies into a single document, with some minor amendments aimed at reflecting changes in the way that charities and non-profit making organisations now conduct their business.
- 1.3 It should be noted that some organisations entitled to claim discretionary rates relief may also be entitled to other types of mandatory rates relief, such as small business relief, where this is the case mandatory reliefs will be considered in the first instance.

#### 2. Relief Policy

- 2.1 The following reliefs will apply where the property is occupied in furtherance of the aims of the charity or non-profit making organisation:
  - Registered Scottish Charities are eligible for 20% relief as a top up to any 80% mandatory relief awarded
  - Other charitable and non-profit making organisations are eligible for up to 100% discretionary relief
  - Recreational and sports clubs are eligible for up to 100% discretionary relief, depending on their alcohol licence status
  - Charity Shops are eligible for 20% relief as a top up to any 80% mandatory relief awarded due to being a registered Scottish charity, or 100% relief for any other non-profit making organisation
  - Local authority schools located in defined rural settlements, with a rateable value (RV) of £17,000 or less are eligible for 100% discretionary relief
- 2.2 There is currently no provision to award discretionary relief for Hardship cases or Local Reliefs (other than Empty Relief) in terms of the Community Empowerment (Scotland) Act 2015 as additional costs would require to be met by the Council.

### 3. Categories and value of Relief

#### 3.1 ***Relief for Charities and Other Non-profit Making Organisations - Up to 100% mandatory and discretionary relief. (Mandatory relief fully funded by the Rating Pool with no cost to the Council with 25% of any discretionary relief funded by the Council)***

The Council has discretion to grant up to 100% rate relief to non-profit making organisations, whether they are registered charities or not. The main provision conferring the current discretionary power on billing authorities to grant rate relief is Section 4 of the Local Government (Financial Provisions etc) (Scotland) Act 1962.

To qualify, an organisation must either be:

- charitable,
- religious, or
- concerned with education,
- social welfare,
- science,
- literature or the fine arts.

3.1.1 Registered Scottish charities, who are entitled to 80% mandatory relief, are eligible for a 20% discretionary relief top up.

3.1.2 Other charitable or non-profit making organisations not in receipt of mandatory relief, and that fall within one of the categories noted above, are eligible for discretionary relief up to 100%. These may include community interest companies, companies limited by guarantee, and voluntary organisations.

3.1.3 Non-profit making organisations that have a license to sell alcohol may only be considered for discretionary relief where the sale of alcohol is incidental to the main purposes for which a property is occupied. For example, a licensed restaurant, café, or other community facility that mainly serves food but provides alcohol along with this may be considered for relief, whereas a community pub would not. The organisation must not be a national body and its aims and objectives must be to benefit South Ayrshire Council residents. Relief will be limited to properties with a Rateable Value of £51,000 or under as 25% of any reliefs awarded will be met directly by the Council.

3.1.5 Registered Scottish Charities that are licensed to sell alcohol, such as Royal British Legion clubs, are eligible for discretionary relief subject to the calculation method used for Licensed Sports Clubs as noted at Para. 2.3.2 below. Where the notional RV exceeds 60%, the occupation of the property will be considered charitable, and the organisation awarded 80% mandatory relief. Where the notional RV exceeds 80%, the organisation will be eligible for a discretionary relief top up to the value of the excess percentage.

3.1.6 The following organisations etc. are not eligible for discretionary rates relief:

- Local authority occupied premises
- private or fee-paying schools
- colleges and universities
- premises occupied by MPs, MSPs or Councillors
- Masonic halls may only be considered if they are the only community facility within a neighbourhood and are available for public use by local organisations.

### 3.2 ***Recreational Organisations or Sports Clubs up to 100% discretionary relief (see funding arrangements below)***

The Council has discretion to grant up to 100% rate relief to non-profit making organisations occupying property that is used wholly or mainly for the purpose of recreation (sport). As part of this policy the Council will require to ascertain whether a club is licensed to sell alcohol or not, and whether it is registered with His Majesty's Revenues and Customs (HMRC) as a Community Amateur Sports Club (CASC). The Council requires that organisations and clubs demonstrate, through the inclusion of an equalities statement within their constitution and rules, a strong commitment to equal opportunities for all sectors of the community, ensuring that all participants, volunteers, coaches or parents receive equal treatment regardless of age, gender, marital status, employment status, social class, colour, race, ethnic or national origin, religious belief or disability.

3.2.1 ***Unlicensed Sports Clubs (100% relief funded by Rating Pool – no costs to Council)*** Where a sports or recreational club meets the qualifying criteria and is not licensed to sell alcohol, it will be eligible for 100% discretionary rates relief. Occasional licences granted to voluntary organisations in accordance with the Council's licensing policy who are sports clubs will be disregarded when deciding whether a club is licensed or not.

3.2.2 ***Licensed Sports Clubs (100% relief funded by Rating Pool – no costs to Council)*** Where a sports or recreational club meets the qualifying criteria and is licensed to sell alcohol, it will be eligible for discretionary rates relief at a level that reflects its sporting activities as opposed to its non-sporting activities such as alcohol, food, tobacco, and gambling sales. This means that the amount of relief awarded will reduce proportionally with respect to bar turnover as well as catering sales, tobacco sales and slot machine income. See Appendix 2A below (application template) for details of how the bar turnover and other non-sporting income is analysed in order to arrive at the discretionary relief awarded.

3.2.3 ***Community Amateur Sports Clubs (25% of any discretionary relief funded by the Council)*** The Council will encourage all sports clubs to attain Community Amateur Sports Club (CASC) status and thereby secure themselves 80% mandatory relief. A key part of the CASC registration process ensures that sports clubs must be open to the community as a whole and have affordable membership fees. CASC status also allows clubs to receive 'charity type' tax reliefs provided the club meets certain qualifying conditions. Where a sports or recreational CASC meets the qualifying criteria and is not licensed to sell alcohol, it will be eligible for 20% discretionary rates

relief top-up to the 80% mandatory relief already awarded. Licensed CASCs will be eligible for a top up for any amount of discretionary relief that may have been due above 80% had the relief been calculated in the same way as a Licensed Sports Club.

### 3.3 ***Charity Shops - up to 100% mandatory and discretionary relief (25% of any discretionary relief funded by the Council)***

Charity shops qualify for 80% mandatory relief provided that they:

- Are only occupied by a registered Scottish charity.
- The charity utilises the profits from sales for the purpose of that charity.
- The charity sells primarily donated goods, equating to a minimum of 60% of the turnover.

Qualifying charity shops will be eligible for a 20% discretionary relief top up, or 100% discretionary relief if not a registered Scottish charity.

### 3.4 ***Rural Rate Relief Up to 100% Relief (25% of any discretionary relief funded by the Council)***

Certain types of businesses located within a rural settlement with a population below 3,000, and in an area designated as rural by the Scottish Government, may be eligible for the following mandatory relief of rates.

- the only general store or post office with a rateable value of £8,500 or less;
- a food shop with a rateable value of £8,500 or less;
- the only public house/small hotel (with appropriate license), with a rateable value of £12,750 or less;
- a petrol filling station with a rateable value of £12,750 or less.

From 1 April 2017 Qualifying general stores, post offices, small food shops, petrol filling stations, public houses and small hotels will be entitled to 100% mandatory rate relief therefore discretionary relief does not apply in these cases.

Councils also have discretionary powers to grant up to 100% rate relief to properties within a rural settlement with a rateable value of £17,000 or less, used for purposes that are beneficial to the local community. Discretionary relief will be awarded in the following circumstances;

3.4.1 Rural schools with a rateable value of £17,000 or less will be eligible for 100% discretionary rates relief.

## 4. **Subsidy Control**

4.1 Any discretionary relief applying to activity not economic in nature is unlikely to be considered as a subsidy and therefore subject to the provisions on subsidy control set out in the Trade and Cooperation Agreement (TCA) agreed between the UK and European Union, effective from 1 January 2021.

However, for charity shops and other commercial activity, the Council will have to consider whether this must be awarded with respect to the TCA minimum financial assistance (MFA) criteria. It is therefore important that applicants are made aware of this and that this is reflected within the application and award processes.

## **5. Application Process**

- 5.1 In order to make an application for Discretionary Relief an application form must be fully completed and submitted with relevant supporting evidence. Application forms are available on the Councils website [Business rates reductions - South Ayrshire Council \(south-ayrshire.gov.uk\)](https://www.south-ayrshire.gov.uk/business-rates-reductions)
- 5.2 Not for profit organisations, CASC's and other sports clubs are required to provide evidence of their constitution and rules to ensure they meet the qualifying criteria.
- 5.3 Discretionary relief will be awarded in accordance with this policy, subject to verification by Senior Revenues Advisor/Revenues Co-ordinator if required, e.g. where supporting evidence may be limited.

## **6. Backdating**

- 6.1 Backdating an award of discretionary relief made under Section 4 of the Local Government (Financial Provisions etc) (Scotland) Act 1962 is generally restricted to the beginning of the year in which application is first made. However, consideration must be given where an organisation has been rated retrospectively either through the actions of the Council or the Assessor.

## **7. Appeals**

- 7.1 In cases where applications for rates relief have been rejected the rate payer may request an appeal be heard by the Council's Appeals Panel. The decision of the Appeals Panel will be final.

## **8. Removal of Relief**

- 8.1 The removal of a discretionary relief award previously made under Section 4 of the Local Government (Financial Provisions etc) (Scotland) Act 1962 can only be affected following notice of a full financial year from the end of the current financial year. This is to ensure that non-profit making organisations have time to make appropriate arrangements for the loss of relief that may have resulted from either a change in legislation or Council policy.

## **9. Funding**

- 9.1 Funding arrangements for reliefs between local authorities and the Scottish Government are set out in The Non-Domestic Rating Contributions (Scotland) Regulations 1996. The cost of discretionary reliefs is generally 75% funded by the Scottish Government, and 25% funded by the awarding Council, except for 100%

discretionary sports clubs relief, which is fully funded by the Scottish Government. The discretionary reliefs are:

- Discretionary Relief ‘top-up’ of up to 20% for OSCR-registered charities;
- Discretionary Relief of up to 100% for certain other not-for-profit organisations;
- Sports Club Relief ‘top-up’ of up to 80% for HMRC-registered Community Amateur
- Sports Clubs (CASCs);
- Sports Club Relief of up to 100% for certain other not-for-profit organisations;
- Discretionary Rural Relief;
- Hardship Relief;
- Stud Farms Relief

Local Reliefs awarded under the Community Empowerment (Scotland) Act 2015 require to be fully funded by the Council.

## **10. Legislation**

10.1 The relevant legislation is listed below for information purposes:

- Section 4(5) of the Local Government (Financial Provisions etc.) (Scotland) Act 1962, as amended
- Section 25A of the Local government (Scotland) Act 1966
- The Non-Domestic Rating Contributions (Scotland) Regulations 1996
- Schedule 2 to the Local Government and Rating Act 1997
- Non-Domestic Rating (Rural Areas and Rateable Value Limits) (Scotland) Order 2005
- Non-Domestic Rates (Rural Areas) (Scotland) Regulations 2017
- Section 140 of the Community Empowerment (Scotland) Act 2015 – this inserts sections 3A into the Local Government (Financial Provisions etc.) (Scotland) Act 1962

10.2 The Scottish Government provides further information on NDR reliefs which can be found on the website [Non-domestic rates guidance - mygov.scot](https://www.mygov.scot/non-domestic-rates-guidance)

**Revenues and Benefits Service  
November 2022**

**SOUTH AYRSHIRE COUNCIL****DISCRETIONARY RELIEF OF RATES - LICENSED SPORTS CLUBS ETC  
CALCULATION**

Ratepayer Name	
Rates Reference	
Rateable Value (RV)	

**Turnover**

Alcohol, gaming (slot machines etc), catering, and tobacco sales will be supplied by the club using the audited accounts from the Revaluation reference year, or the first set of accounts if a new club (estimates are acceptable in the interim). These will then be adjusted using the percentages set out below to provide the turnover figure required for relief calculation purposes.

Per Accounts	Actual £	Percentage %	Adjusted £
Bar		100%	
Gaming		100%	
Food		50%	
Tobacco		25%	
Total			

**Non-Sporting Turnover**

The total adjusted turnover figure requires to be factored to arrive at the Notional (i.e., non-sporting) rateable value (RV) using the following percentage bands.

Adjusted Turnover Range		(c)	(d)	(e) = (c x d)
Greater than	Up to or equal to	Adjusted Turnover	Percentage %	Notional RV £
£0.00	£30,000		5.5%	
£30,000	£50,000		6.0%	
£50,000	£75,000		7.0%	
£75,000	£100,000		8.5%	
£100,000			9.0%	

**Relief Calculation**

The "Sporting" RV used for calculating the relief due is arrived up by subtracting the "Non-Sporting" RV from the actual RV and then multiplying by the appropriate poundage rate. Relief is calculated on a daily basis therefore may need re-calculated for part year charges.

(a)	(b)	(c) = (a - b)		(d)	(e) = (c x d)
Actual RV £	Notional (Non-Sporting) RV £	Amended (Sporting) RV £	Year	Rate Poundage £	Relief Amount (FYr) £



## South Ayrshire Council Equality Impact Assessment Scoping Template

Equality Impact Assessment is a legal requirement under the Public Sector Duty to promote equality of the Equality Act 2010. Separate guidance has been developed on Equality Impact Assessment's which will guide you through the process and is available to view here: <https://www.south-ayrshire.gov.uk/equalities/impact-assessment.aspx>

Further guidance is available here: <https://www.equalityhumanrights.com/en/publication-download/assessing-impact-and-public-sector-equality-duty-guide-public-authorities/>

The Fairer Scotland Duty ('the Duty'), Part 1 of the Equality Act 2010, came into force in Scotland from 1 April 2018. It places a legal responsibility on Councils to actively consider ('pay due regard to') how we can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions. [FSD Guidance for Public Bodies](#) in respect of the Duty, was published by the Scottish Government in March 2018 and revised in October 2021. See information here: <https://www.gov.scot/publications/fairer-scotland-duty-guidance-public-bodies/>

### 1. Policy details

Policy Title	Non Domestic Rates Reliefs
Lead Officer (Name/Position/Email)	Tim Baulk, Head of Finance, ICT and Procurement, tim.baulk@south-ayrshire.gov.uk

**2. Which communities, groups of people, employees or thematic groups do you think will be, or potentially could be, impacted upon by the implementation of this policy? Please indicate whether these would be positive or negative impacts**

Community or Groups of People	Negative Impacts	Positive impacts
Age – men and women, girls and boys	-	-
Disability	-	-
Gender Reassignment (Trans/Transgender Identity)	-	-
Marriage or Civil Partnership	-	-
Pregnancy and Maternity	-	-
Race – people from different racial groups, (BME) ethnic minorities and Gypsy/Travellers	-	-
Religion or Belief (including lack of belief)	-	-
Sex – (issues specific to women and men or girls and boys)	-	-
Sexual Orientation – person's sexual orientation i.e. LGBT+, lesbian, gay, bi-sexual, heterosexual/straight	-	-

Community or Groups of People	Negative Impacts	Positive impacts
Thematic Groups: Health, Human Rights and Children's Rights	-	-

**3. What likely impact will this policy have on people experiencing different kinds of social disadvantage i.e. The Fairer Scotland Duty (This section to be completed for any Strategic Decisions). Consideration must be given particularly to children and families.**

Socio-Economic Disadvantage	Negative Impacts	Positive impacts
Low Income/Income Poverty – cannot afford to maintain regular payments such as bills, food, clothing	-	-
Low and/or no wealth – enough money to meet Basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future	-	-
Material Deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure/hobbies	-	-
Area Deprivation – where you live (rural areas), where you work (accessibility of transport)	-	-
Socio-economic Background – social class i.e. parent's education, employment and income	-	-

**4. Do you have evidence or reason to believe that the policy will support the Council to:**

General Duty and other Equality Themes Consider the 'Three Key Needs' of the Equality Duty	Level of Negative and/or Positive Impact (High, Medium or Low)
<b>Eliminate unlawful discrimination, harassment and victimisation</b>	Low
<b>Advance equality of opportunity</b> between people who share a protected characteristic and those who do not	Low
<b>Foster good relations</b> between people who share a protected characteristic and those who do not. (Does it tackle prejudice and promote a better understanding of equality issues?)	Low
Increase participation of particular communities or groups in public life	Low
Improve the health and wellbeing of particular communities or groups	Low
Promote the human rights of particular communities or groups	Low
Tackle deprivation faced by particular communities or groups	Low

## 5. Summary Assessment

<b>Is a full Equality Impact Assessment required?</b> (A full Equality Impact Assessment must be carried out if impacts identified as <b>Medium and/or High</b> )	<del>YES</del> <b>NO</b>
<b>Rationale for decision:</b>  <b>This report asks members to approve Non Domestic Rates reliefs. The policies have no specific equality implications</b>	
<b>Signed :</b> Nicola Gemmell  <b>Date:</b> 10 November 2022	<b>Service Lead</b>