

ISLE OF ANGLESEY COUNTY COUNCIL

REPORT TO:	EXECUTIVE
DATE:	24 MARCH 2026
SUBJECT:	DISCRETIONARY BUSINESS RATES RELIEF FRAMEWORK – CHARITIES AND NON-PROFIT MAKING ORGANISATIONS
PORTFOLIO HOLDER(S):	CLLR ROBIN WILLIAMS – DEPUTY LEADER & PORTFOLIO HOLDER – FINANCE & CORPORATE BUSINESS AND CUSTOMER EXPERIENCE
HEAD OF SERVICE:	MARC JONES, DIRECTOR OF FUNCTION (RESOURCES) / SECTION 151 OFFICER
REPORT AUTHOR: TEL: E-MAIL:	LLINOS M ROBERTS, REVENUE & BENEFITS SERVICE MANAGER
LOCAL MEMBERS:	N/A

A - Recommendation/s and reason/s

Recommendation

That the Executive approves the extension of the current policy for a period of 1 year, to 31 March 2027.

That the Council consult with the organisations that currently receive relief through the policy to determine the policy moving forward from April 2027 onwards.

Background

The current policy was approved by the Executive for the period 1 April 2020 to 31 March 2026 (a copy of the report is attached as Appendix 1).

Given that there was a revaluation of non domestic rates, which became effective from 1 April 2026, and there were changes to other relief schemes and transitional arrangements, it was considered that an additional change to this policy was not timely and could further impact on organisations which may be impacted by the changes which come into effect from 1 April 2026.

The current policy provides a significant amount of financial help to a large number of charity and not profit-making organisations and is still affordable, although the changes in the property valuations and the level of the multiplier will result in a change in the cost of providing the relief. By postponing the implementation of a new policy, it will also allow the Council to determine the cost of the policy in 2026/27, which can influence the policy from April 2027 onwards.

B - What other options did you consider and why did you reject them and/or opt for this option?

To implement a new policy for an extended period, e.g. 5 years. However, this was rejected for the reasons noted above.

C - Why is this a decision for the Executive?

The acceptance of the policy has been delegated to the Executive by the Council.

CH - Is this decision consistent with policy approved by the full Council?

The policy supports organisations that operate across the Island to support communities, the economy and the Welsh language, which are objectives of the Council Plan.

D - Is this decision within the budget approved by the Council?		
The budget for 2026/27 includes a sum of £108k to meet the cost of the relief granted.		
Dd – Assessing the potential impact (if relevant):		
1	How does this decision impact on our long term needs as an Island?	The extension of the policy will allow organisations that support communities across the Island to continue to receive financial support.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	The policy is currently funded. The financial cost of a change in the policy will be factored into the 2027/28 budget.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom	The policy is a discretionary policy which is determined by Anglesey in accordance with the Welsh Government's requirements.
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	A consultation process was undertaken when the initial policy was drawn up, and further consultation will take place before a new policy is approved in April 2027.
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	An assessment will be undertaken in drafting the new policy from April 2027
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	No change in the policy is proposed for 2026/27. An assessment will be made prior to the implementation of any new policy in April 2027.
7	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	No impact identified.
E - Who did you consult?		What did they say?
1	Chief Executive / Leadership Team (LT) (mandatory)	Comments from the LT have been incorporated into the report and the draft report is endorsed by the LT.
2	Finance / Section 151 (mandatory)	n/a – this is the Section 151 Officer's report.
3	Legal / Monitoring Officer (mandatory)	The Monitoring Officer is a member of the LT and any comments made have been taken into account in discussions on this report in the LT.
4	Human Resources (HR)	Not applicable
5	Property	Not applicable
6	Information Communication Technology (ICT)	Not applicable
7	Scrutiny	Not applicable
8	Local Members	Not applicable
9	Any external bodies / other/s	Not applicable
F - Appendices:		
Appendix 1 – Executive Report – 17 February 2020		
FF - Background papers (please contact the author of the Report for any further information):		
None		

ISLE OF ANGLESEY COUNTY COUNCIL	
REPORT TO:	THE EXECUTIVE
DATE:	17 FEBRUARY 2020
SUBJECT:	DISCRETIONARY BUSINESS RATES RELIEF FRAMEWORK – CHARITIES AND NON-PROFIT MAKING ORGANISATIONS
PORTFOLIO HOLDER(S):	COUNCILLOR ROBIN WYN WILLIAMS (PORTFOLIO HOLDER – FINANCE)
HEAD OF SERVICE:	MARC JONES (DIRECTOR OF FUNCTION (RESOURCES) AND SECTION 151 OFFICER)
REPORT AUTHOR:	GERAINT H. JONES (REVENUES AND BENEFITS SERVICE MANAGER)
TEL:	01248 752651
E-MAIL:	GeriantHJones @ynysmon.gov.uk
LOCAL MEMBERS:	NOT APPLICABLE
A - Recommendation/s and reason/s	
<p>RECOMMENDATIONS</p> <ul style="list-style-type: none"> • That the Executive adopts a Discretionary Business Rates Relief Framework - Charities and Non-Profit Making Organisations as detailed in Appendix C. • That its Discretionary Business Rate Relief Framework will apply for the financial years up to 31 March 2026. • That the Executive instructs the Director of Function (Resources) and Section 151 Officer to ensure that administrative procedures before 31 March 2020 advise relevant charities and non-profit making organisations that the policy will apply from 1 April 2020 and will cease on 31 March 2026. <p>BACKGROUND</p> <p>Non-domestic properties (apart from certain exemptions, such as agriculture, places of worship, property used by the disabled etc.) are liable to payment of non-domestic rates. These are commonly termed business rates, although not all ratepayers are businesses in the ordinary sense. Indeed, the system of reliefs is partly designed to alleviate the burden of taxation on occupiers other than business.</p> <p>Local Authorities in Wales must grant mandatory rate relief to charities provided for within the Local Government Finance Act 1998 (LGFA88), as amended by the Local Government Act 2003.</p> <p>Under the LGFA88, local authorities can also grant discretionary relief or remission from rates up to 100% of the rates payable. This applies to the properties occupied by:-</p> <ul style="list-style-type: none"> • Charities (“20% top-up” in addition to 80% mandatory relief); • Other non-profit making organisations. <p>The cost of granting discretionary business rates relief is borne in part by the Non-Domestic Rates (NDR) Pool (i.e. Welsh Government) and by local council taxpayers.</p>	

For example, the proportion borne by the Welsh Government in respect of non-profit making organisations is 90% of the cost. This means that every £1 spent by the Council buys relief worth £10 to the ratepayer.

However, in respect of the cost of the “20% top-up”, the proportion borne by the Welsh Government is 25% of the cost. This means that every £7.50 spent by the Council buys relief worth £10 to the ratepayer.

THE DECISION OF THE EXECUTIVE IN FEBRUARY 2019

On 18 February 2019, the Executive extended its Discretionary Business Rates Relief Framework – Charities and Non-Profit Making Organisations for one year. It also resolved that a public consultation on the framework was to be carried out during the first half of 2019/20 with a revised framework (if applicable) coming into effect on 1 April 2020. A 3 Tier consultation was undertaken under the Council’s Consultation and Engagement Plan Quarter 1 with a closing date of 31 August 2019. Contact was made with all taxpayers eligible for discretionary relief under the current policy.

The response was disappointing, with only 4 responding (2 doing so anonymously). Those identified are listed in Appendix A. A summary of responses to the questions asked is given in Appendix B. Having regard to the limited responses received, it is proposed that the current policy is not changed but that the practice of extending the policy on an annual basis should be replaced by a fixed term period aligned to the quinquennial revaluation cycle. The policy to be adopted is given in Appendix C. Members can elect to amend the framework during this period but notice of at least one full financial year has to be given to ratepayers.

Members should note that the next non-domestic rates revaluation in Wales will take place in 2021. Members should further note that this is an adoption of a discretionary business rate relief framework to consider applications for discretionary rate relief. Any application that may fall outside the framework still has to be considered by the Authority and to dismiss such an application on the grounds of not being within the framework could be “ultra vires”.

B - What other options did you consider and why did you reject them and/or opt for this option?

The current relief policy has been a success, in that virtually no applications have been made that are not covered by the policy. This has led to a significant reduction in applications being considered individually. The responses received (and lack of responses) to the consultation suggests that there is general acceptance of the current policy with no aspect being seriously challenged.

Not to extend the current discretionary business rates relief policy for Charities and non-profit making organisations, or adopt a policy for a fixed term period, would mean that each application would have to be dealt with individually by the Director of Function (Resources) and Section 151 Officer, taking account of guidance from Welsh Government and Executive guidance/policies. (See Council’s Constitution – Scheme of Delegation to Specific Officers (Director of Function (Resources)/Section 151 Officer – Section and specific duty detailed under 3.5.3.5.19).

C - Why is this a decision for the Executive?

The decisions to grant relief from Business Rates to charities and non profit making organisations has been delegated to the Director of Function (Resources) and Section 151 Officer. The Executive is being asked to create guidance and a framework for the officer to refer to, ensuring consistency and fairness with regard to each decision.

CH - Is this decision consistent with policy approved by the full Council?
This policy contributes to the corporate aims of the Authority – mainly regenerating our community and developing the economy and transforming leisure services.
D - Is this decision within the budget approved by the Council?
A budget of £70k has been earmarked within the 2020/21 draft budget (increased from £60k). Projected expenditure at the end of quarter 3 is £63k*.

* This figure reflects adjustments for previous years during 2019/20 unlike Appendix C which shows figures relating to 2019/20 only.

DD - Who did you consult?		What did they say?
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)	The contents of the report was noted by the SLT
2	Finance / Section 151 (mandatory)	Author of report
3	Legal / Monitoring Officer (mandatory)	Member of the SLT
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Scrutiny	
8	Local Members	
9	Any external bodies / other/s	
E - Risks and any mitigation (if relevant)		
1	Economic	If the framework was not accepted, this would not have a major impact on the economy as the organisations could still apply for relief.
2	Anti-poverty	
3	Crime and Disorder	
4	Environmental	
5	Equalities	
6	Outcome Agreements	
7	Other	
F - Appendices:		
Appendix A – Identified respondents to consultation. Appendix B – Summary response to questions asked in consultation. Appendix C – Business Rates Relief Framework for Charities and Non-Profit Making Organisations.		
FF - Background papers (please contact the author of the Report for any further information):		
Isle of Anglesey Executive decision 18 February 2019 A new Small Business Rates Relief Scheme for Wales 2018 High Street Rate Relief Scheme announcement 14 January 2020		

Identified Respondants

- Traeth Coch Sailing Club
- David Hughes Community Association

APPENDIX B

Q1: Should the Authority continue to renew its policy on an annual basis or decide on a policy for a fixed term of no more than 2, 3, 4 or 5 years? Should review of the policy be linked to the period covered by the Authority's Corporate Plan (usually 5 years) or the next rateable revaluation date (usually 5 years)?

All 4 responded that a review is undertaken every 5 years.

Q2: Do you agree that the Council should not award more than the mandatory 80% to charity shops with a rateable value of £12,000 or more (or at the new rateable value threshold for the new small business rates relief scheme)?

3 agreed that no award should be made where the rateable value was £12,000 or more. 1 disagreed.

Q3: Do you agree that the Council should award more than the mandatory 80% to charity shops with a rateable value of £6,000 or less (or at the new rateable value threshold for the new small business rates relief scheme) and that the full 20% discretionary relief should be awarded?

All 4 agreed.

Q4: Do you agree that the Council should award more than the mandatory 80% to charity shops with a rateable value more than £6,000 and less than £12,000 (or at the new rateable value threshold for the new small business rates relief scheme) but not all of the full 20% discretionary relief should be awarded?

3 agreed. 1 disagreed.

Q5: Do you agree that the Council should consider awarding more than the 80% mandatory relief to a charity shop purely engaged in localised activities?

3 agreed. 1 disagreed.

Q6: Do you agree that the Authority should increase its budget to meet the cost of any additional discretionary reliefs awarded, for example, to charity shops or retain its current budget?

3 agreed. 1 stated should increase in line with inflation but not at the expense of vital public services.

Q7: Should the Authority consider restricting the amount of discretionary relief granted to certain non-profit making organisations by for example giving 50%, 60%, 70%, 80% or 90% relief were 100% is currently given or with the “top –up” relief for charities giving 10% instead of 20% to meet the cost of additional relief to charity shops?

3 agreed. 1 made no comment.

Q8: From the description of organisations shown in Appendix A should organisations who whose objectives have substantial common ground with Council objectives and which mainly serve Island residents still get 100% relief and for organisations, whose objectives are supported by the Council but, either there is not substantial common ground with Council objectives or they do not mainly serve Island residents still get 80% relief?

3 agreed. 1 stated that relief should be awarded based on common ground with Council objectives and services to Island residents.

Q9: Should sport clubs who have attained CASC status receive more relief i.e. 80% mandatory plus 20% discretionary relief as against those who have not received CASC status, for example 80% discretionary relief is granted as compared to 100% under the current policy?

3 agreed. 1 disagreed.

Q10: Do you agree that the CASCs definition is still fair and reasonable for awarding discretionary relief to sports clubs – see Appendix C.

2 agreed. 1 not sure and 1 stated that a club’s governing document should include a clause stating that the club is open to all regardless of race, religion, political views, sex and sexual orientation.

Q11: Do you agree that the Authority should continue with its policy of not having a distinction based on whether a sports club has a licensed bar or not?

2 agreed. 1 had no opinion and 1 was not sure.

Q12: It is proposed not to change this policy. Do you agree?
(for educational and related establishments)

4 agreed.

Q13: It is proposed not to change this policy. Do you agree?

(for organisations whose aims are to promote urban and rural regeneration or relief of unemployment)

4 agreed.

Q14: It is proposed not to change this policy. Do you agree?

(for bodies which promote race equality or support ethnic minority groups)

4 agreed.

Q15. The first four questions enables the Authority to reduce the amount of relief available to bodies if a significant proportion of the members are not residents of the Island, because the benefit to council taxpayers is less obvious. Do you continue to support such an approach? If so, is the current level of restriction reasonable at 80% relief towards the business rates bill? Should it be less or more?

Q16. These criteria have been in existence since April 2003. What are your views on these criteria? Should some be given greater importance and how would this affect the amount of discretionary relief awarded? Have we omitted any criteria?

(views were sought on the criteria being used to assess each application)

For Q15. 1 agreed that 80% was enough. 2 wished this to be increased to 100% and 1 stated it depended on the circumstances.

For Q16. 3 stated should remain the same. 1 stated that no criteria had been omitted and the criteria provided sufficient flexibility.

Q17. What effect, in your view, would the proposals have on the Welsh language in opportunities to use the language?

3 stated no effect. 1 stated the need to support establishments that operated through the Welsh Language.

Q18. Can the proposed policy be formulated or changed to have a positive effect on opportunities to use the Welsh language or similar so that there are no adverse effects to use and treat the Welsh language no less favourably than the English language?

2 stated no. 1 stated impossible to administer in an area where both languages equally used. 1 agreed changing the policy to have a positive effect on the Welsh language.

Q19. Should those charities or non-profit making organisations who are complying with or are working towards compliance with the same standards as adopted by the Authority under the Welsh Language (Wales) Measure 2011 receive additional discretionary business rates relief? What practical difficulties do you see with such a scheme?

3 disagreed, with 1 stating this to be a form of discrimination. 1 agreed.

APPENDIX C

Category	Description	Mandatory	Discretionary	Total	Cost to Council	No
A (1)	Village Halls, Community Centres, Memorial Institutes, Old People Clubs, Scout and Guide Associations, Sea Cadets, Hospices, Playgroups	80%	20%	100%		
		£135,935	£26,475	£162,410	£19,856	58
A (2)	Maritime safety	80%	20%	100%		
		£44,240	£8,616	£52,856	£6,462	6
B (1)	Recreation Clubs, Theatres, Band Rooms and Museums – (registered charity)	80%	20%	100%		
		£26,078	£5,161	£31,239	£3,871	8
B (2)	Recreation Clubs, Theatres, Band Rooms and Museums – (not a registered charity)	0%	100%	100%		
		£0	£134,396	£134,396	£13,440	30
C (1)	Educational organisations statutory or open to all	80%	20%	100%		
		£6,990	£1,361	£8,351	£1,021	1
C (2)	Educational organisations	80%	0%	80%		
		£405,090	£0	£405,090	£0	11
CH	Charity Shops	80%	0%	80%		
		£78,355	£0	£78,355	£0	19
D	Regeneration, Employment, Rehabilitation Organisations	80%	20%	100%		
		£6,567	£1,279	£7,846	£959	1
DD	Race equality and ethnic minority	80%	20%	100%		
		£0	£0	£0	£0	0
E (1)	Registered charity or a charitable purpose whose objectives have substantial common ground with Council objectives and which mainly serve Island residents	80%	20%	100%		
		£92,564	£18,026	£110,590	£13,520	6
E (2)	Not a registered charity but whose objectives have substantial common ground with Council objectives and which mainly serve Island residents	0%	100%	100%		
		£0	£18,769	£18,769	£1,877	5
F (1)	Registered charity or a charitable purpose whose objectives are supported by the Council but either there is not substantial common ground with Council objectives or they do not mainly serve Island residents	80%	0%	80%		
		£0	£0	£0	£0	0
F (2)	Not a registered charity and whose objectives are supported by the Council but either there is not substantial common ground with Council objectives or they do not mainly serve Island residents	0%	80%	80%		
		£0	£1,287	£1,287	£129	1
FF	Agricultural show grounds	80%	20%	100%		
		£21,928	£4,270	£26,198	£3,203	1
G	Not any of the above categories	Various	Various	Various		
		£0	£0	£0	£0	0
	Totals – 2019/20	£817,747	£219,640	£1,037,387	£64,338	147
	Cost per Band D – 2019/20				£2.04	