**DISCRETIONARY RATE RELIEF POLICY**

**GUIDELINES FOR THE AWARD OF DISCRETIONARY RATE RELIEF (FROM 1 APRIL 2017)**

1. **Discretionary Rate Relief for Charities**

Charitable organisations entitled to 80% mandatory relief may also receive a further 20% “top-up” award at the Council’s discretion.

1. **Discretionary Rate Relief for Non-Profit Making Organisations**

Non-profit making organisations whose main objectives are charitable, otherwise

philanthropic, religious, concerned with education, social welfare, science, literature, the fine arts, or whose premises are used wholly or mainly for recreation may receive up to 100% rate relief at the Council’s discretion.

1. **Calculating the amount of relief to be awarded**
	1. *General Guidelines*

Although each individual application must be considered on its own merit, all will be considered against the following general principles:

1. Irrespective of the type of organisation liable for the payment of non-domestic rates, all charity shops (including galleries) and charity cafes will receive 80% mandatory relief only.
2. Where bars are in operations, bar profits should be taken into account. A minimum bar profit of 30% on turnover should be used to ensure that any discretionary relief granted does not subsidise the bar.
3. For sports clubs, sailing and yacht clubs, relief should only be considered if more than 50% of the “sports” membership lives in the Council’s area. Social members should not be included.
4. Membership fees and other charges should be reasonable.
5. There should be reasonable evidence of financial need and that reasonable efforts have been made to raise funds.
6. There must be a positive benefit for the community of Medway.
7. Membership of social activity organisations should generally be open to all relevant sections of the community.
	1. *Organisation Purpose*

Subject to 3.1 above, all applications will have a guideline amount established from the following table outlining the organisation’s purpose:

|  |  |  | Registered Charity | Non-profit  |  |
| --- | --- | --- | --- | --- | --- |
| Item No  | Organisation purpose   | Principle  | Mand-atory relief% | Top uprelief% | Totalrelief% | Discret-ionaryonly relief% | Description   |
| 1 | Voluntary Sector /charity supportservice | Supporting vulnerable people | 80 | 20 | 100 | 100 | Organisations who provide supportand opportunities to the voluntarysector / and or guidance to charities& not for profit organisations |
| 2 | Supportingchildren | Supporting vulnerable people | 80 | 20 | 100 | 100 | The organisation’s focus is aimedexclusively at children from allsections of the community |
| 3 | Supporting thedisabled | Supporting vulnerable people | 80 | 20 | 100 | 100 | Predominantly providing support tohelp people with a disability and orproviding fitness improvement/sport/water sport facilities exclusively topeople who are disabled |
| 4 | Education forchildren (specialeducationalneeds) | Supporting vulnerable people | 80 | 20 | 100 | 100 | Education solely for children withspecial needs or disabled or unableto attend mainstream school/providing nursery care exclusively forchildren with special educationalneeds |
| 5 | Elderly care /support | Supporting vulnerable people | 80 | 20 | 100 | 100 | Providing care and support servicesexclusively for elderly people fromall sections of the community |
| 6 | Training, adulteducation,employmentsupport | Supporting vulnerable people | 80 | 20 | 100 | 100 | To train, educate or otherwise support adults to help them gain employment and become self sufficient |
| 7 | Health care | Supporting vulnerable people | 80 | 20 | 100 | 100 | Health care for all sections of thecommunity |
| 8 | Homeless andvulnerable adultsupport | Supporting vulnerable people | 80 | 20 | 100 | 100 | Helping homeless people based inMedway to find a home and/or manage in the meantime through foodbank provision andsafeguarding of vulnerable adults |
| 9 | Rehabilitation for offenders/ crime prevention | Supporting vulnerable people | 80 | 20 | 100 | 100 | Charity/organisation helping to rehabilitate ex-offenders and reduce re-offending |
| 10 | Social Caresupport for those with a disability | Supporting vulnerable people | 80 | 20 | 100 | 100 | Providing a range of social care support exclusively to children or adults with a disability in need or atrisk arising from illness, old age orpoverty |
| 11 | Youth activities | Supporting vulnerable people | 80 | 20 | 100 | 100 | Youth activities (up to and including age 17) available to all sections of the community/ youth activities (young people up to and including age 25) for those who are disabled |
| 12 | Social caresupport to thegeneral population | Supporting vulnerable people | 80 | 20 | 100 | 100 | Providing social care support or help to the general population to children or adults in need or at risk arisingfrom illness, old age or poverty |
| 13 | Financial adviceor financial aid | Supporting vulnerable people | 80 | 20 | 100 | 100 |  |
| 14 | Animal welfare,wildlife | Animal welfare | 80 | 0 | 80 | 70 | Protecting, saving, rescuing, or healing animals which wouldotherwise suffer |
| 15 | Arts andentertainment | Lifestyle | 80 | 0 | 80 | 50 | Providing and/or providing supportfor the arts |
| 16 | Fitness improvement/ sport/water sport/social facilities | Lifestyle | 80 | 0 | 80 | 50 | Organisations who make sports andfitness available to all sections of thecommunity and provide social facilities to members and non-members. For those that do not provide any form of social facility hardship relief considered on merit |
| 17 | Nurserymainstream | Lifestyle | 80 | 0 | 80 | 50 | Nursery serving all sections of thecommunity |
| 18 | Religious | Lifestyle | 80 | 0 | 80 | 50 | Religious purposes |
| 19 | Education forchildren | Lifestyle | 80 | 0 | 80 | 50 | Mainstream education for children in fee paying school |
| 20 | Heritage -protecting | Heritage | 80 | 0 | 80 | 0 | Protecting heritage |
| 21 | Regeneration | Heritage | 80 | 0 | 80 | 0 | Organisations supporting regeneration activities |

1. **Design Principles**

The table below outlines the five principles used in designing the guidelines and the level of discretionary relief that would be applicable for each principle.

|  | Charities or Community Amateur Sports clubs | Not for profit organisations |
| --- | --- | --- |
| Principle | Mandatory relief (%) | Top up discretionary relief (%) | Total relief (%) | Discretionary relief (%) |
| The focus of the discretionary business rates relief should be for organisations seeking to improve the quality of life for children, the elderly, disabled or otherwise vulnerable members of society | 80 | 20 | 100 | 100 |
| Organisations supporting animal welfare or conservation should receive less priority when awarding discretionary rate relief | 80 | 0 | 80 | 70 |
| Organisations supporting lifestyle choices (arts, entertainment, leisure, fee paying education etc.) should receive less priority when awarding discretionary rate relief | 80 | 0 | 80 | 50 |
| Organisations supporting heritage and regeneration should not receive any discretionary rate relief | 80 | 0 | 80 | 0 |
| Charity shops and cafes run by charities should not receive any top up discretionary relief as they have alternative means of raising funds and are competing with other businesses | 80 | 0 | 80 | N/A |