

Discretionary Rate Relief Factsheet

This leaflet aims to advise you about the current Non-Domestic Rate Relief Policy regarding Discretionary Rate Relief Applications and award process.

The policy is intended to provide a simple transparent process that matches awards of discretionary rate relief with the council's corporate priorities.

The main points of the policy are:

- No award will be made where organisations discriminate against any sectors of the community whether on financial or equality grounds.
- No award will be made to international, national or regional charities or organisations unless the organisation is a strategic partner of Mendip District Council.
- All awards are subject to an annual budget limit.
- In legislation, there is no right of appeal against a decision. However, a Panel of Mendip District Council Councillors can reconsider an application if there are grounds for reviewing the decision. This would normally be where a new material fact is presented.
- A maximum cap of **£9,000** will be placed on any discretionary rate relief award for any particular premises.
- A maximum cap of 95% of the rates charged will be placed on any rate relief awarded for any particular premises.
- The ratepayer will be responsible for their rates bill while any applications are considered. If unable to pay, there will need to be contact with the non-domestic rates department to see if a suitable arrangement can be made. No holds will be placed on recovery action.
- Although the aim is to reduce the amount of interpretation and subjectivity overall to enable organisations to understand whether they are eligible for rate relief, applications for Hardship Relief are considered on their individual merits. To achieve this all applications for Hardship Relief will require a completed application plus any supporting evidence e.g. financial accounts as requested. The legislation states, hardship awards can only be considered where:
 - The ratepayer would sustain hardship if the Authority did not grant a remission;
 - It would be reasonable for the Authority to grant remission having regard to the interests of council taxpayers in Mendip.

Hardship relief is generally for one year only and usually retrospectively awarded once financial accounts have been received.

All of the potentially eligible categories of organisation have been reviewed against the council's corporate priorities to determine which organisations have a clear link to one or more of its objectives/priorities. These have been divided into the different types of business listed in the table below. Discretionary rate relief can only be awarded to the following types of organisation:

Description Of Business	Mendip District Council Corporate Priority
Sports Clubs / recreational organisations	Support business development and growth Address issues of rural isolation, primarily through ensuring partner activity Take on a clear strategic and community leadership role for the district
Youth Organisations	Support business development and growth Address issues of rural isolation, primarily through ensuring partner activity Take on a clear strategic and community leadership role for the district
Village/ Community Halls/ Community Centres	Address issues of rural isolation, primarily through ensuring partner activity Take on a clear strategic and community leadership role for the district
Rural Post Offices/General Stores, Rural Public Houses and Rural Petrol Filling Station	Support business development and growth Address issues of rural isolation, primarily through ensuring partner activity Take on a clear strategic and community leadership role for the district
Educational, organisations, including pre-schools and museums (where dealing with people with special needs)	Take on a clear strategic and community leadership role for the district
Community Care Organisations	Take on a clear strategic and community leadership role for the district
Advice Organisations	Take on a clear strategic and community leadership role for the district
Other organisations	In exceptional circumstances, an organisation may meet the Council's Corporate Priorities

Please note that Mendip Council do not award Discretionary Rate Relief to National and International Businesses or Organisations.

The table below shows the new levels of discretionary rate relief awards for the different categories of organisations.

Description of business	Mandatory Relief	Discretionary Rate Relief
Charities	Automatically receive 80%	If they benefit the local community – up to 15% discretionary rate relief
Community and Sports Clubs (CASC's)	Automatically receive 80%	If they benefit the local community – up to 15% discretionary rate relief
Non profit making organisations	0%	If they benefit the local community – up to 75% discretionary rate relief
Businesses in rural areas (rateable value under £12,500)	Automatically receive 50% if they are: The only general store The only post office or any food store with a rateable value of up to £8,500 The only village public house or petrol filling station with a rateable value up to £12,500	Assuming they benefit the local community and are the only general store, post office or food store with a rateable value of up to £8,500 - up to 45% discretionary rate relief
Businesses in rural areas (rateable value between £12,500 and £16,500)	0%	If they benefit the local community – up to 45% discretionary rate relief
Hardship	0%	Up to 100% based on individual circumstances

For more information on non-domestic rates:

1. Please visit www.mendip.gov.uk
2. <https://www.gov.uk/introduction-to-business-rates>
3. Or ring the Business Rates Department on 0300 303 8588