

## Discretionary Rate Relief (DRR) Policy 2012 Guidance and Criteria

### Introduction

The Royal Borough of Kensington and Chelsea (RBKC) operate a policy of awarding Discretionary Rate Relief (DRR) which provides relief on the business rate bills of not-for-profit and charitable organisations.

### Points to note

The criteria below provide guidance on how the Council will make decisions when assessing DRR applications.

The Council has a limited budget for the provision of DRR, and the financial cost will be taken into consideration when making decisions on applications.

No single organisation will receive a contribution from the Council of more than £10,000 in DRR.

Under the retained rates system, RBKC meets 30% of any discretionary relief cost; 33% is met by the Government; and the remaining 37% is met by the Greater London Authority (GLA).

### Key Eligibility Criteria

To be considered, an organisation must show that it meets each of the following criteria:

1. The organisation should be a registered charity, not for profit, Industrial and Provident Society or similar
2. The organisation should provide some or all of its services in RBKC
3. Eligibility is calculated on the actual number of residents using a service that are resident in RBKC

The following scale will be used when assessing applications for eligibility:

### Organisations in receipt of Mandatory Rate Relief:

percentage of people served who are RBKC residents	Discretionary Rate Relief allocation
0% - 65%	0%
66% or more	10%

### Organisations not eligible for Mandatory Rate Relief:

percentage of people served who are RBKC residents	Discretionary Rate Relief allocation
0% - 65%	0%
66% or more	90%

DRR will be awarded for a maximum period of two years. Applicants will then be invited to reapply and will be expected to further evidence the percentage of RBKC residents served, as part of the application process, in order to receive DRR.

New DRR applications will be considered throughout the year, and rate relief will be backdated to the date the organisation moved into the premises (within statutory limits) to successful applicants.

### Key Exclusion Criteria

1. A charitable shop. The only exception is a shop which provides a recognised supported employment scheme for vulnerable people

2. A charitable cafe. The only exception is a cafe which provides a recognised supported employment scheme for vulnerable people
3. Organisations which provide health services including alternative medicines and/or therapy
4. Faith/religious/ethically based organisations where promotion of the religion/faith/belief is the main purpose 5. Hostel accommodation
6. Museums or Galleries either public or privately owned
7. Independent/fee-charging schools