

DISCRETIONARY RATE RELIEF GUIDANCE

1 April 2016

BACKGROUND

Until 1 April 2016 Discretionary Rate Relief (DRR) was dealt with through the Council's corporate grants process, with local organisations that benefitted from a core funding grant receiving DRR as part of that process.

DRR was provided on an annual basis, with the need to re-apply each year as part of the annual grants application round.

In December 2015 following extensive consultation with the local voluntary sector, a commissioning process was put in place to help with 'Narrowing the Gap' in poverty in Reading and competitive bids were received in the context of significant savings on the grants budget.

Funding agreements will be in place from 1 June 2016 and all groups in receipt of core funding grants were given due notice of the cessation of grant funding.

From 1 April 2016, the voluntary sector annual grants process has ceased, and there is no annual grants process for the consideration of DRR.

CHANGES FROM 1 APRIL 2016

The authority to grant DRR is delegated to the Head of Customer Services in consultation with the Head of Finance.

Criteria

We will consider applications for DRR from 1 April 2016 based on the extent to which the application meets all of the following criteria:

- The extent to which the organisation helps Reading Borough Council meet local needs
AND
- The extent to which the organisation matches priorities set out in Reading Borough Council's Corporate Plan
AND
- That the organisation will face hardship if support is not provided through DRR

Maximum Discretionary Rate Relief Period

DRR will be granted for a maximum of 12 months. In granting DRR we will consider the sustainability of the organisation.

DRR will only be granted if there is a risk that the organisation will become unviable, and that the granting of DRR in the short term will make the organisation sustainable for a reasonable period in the future.

There are a number of exceptions:

- Early Years Providers will be considered for DRR as part of a funding formula that targets children and families in greatest need. Both privately owned and voluntary managed Early Years providers will be eligible. Please contact the Early Years and Play Services on 0118 937 37 37
- Voluntary, not for profit and private sector providers that are currently commissioned to provide services on behalf of Reading Borough Council will not generally be considered for DRR as they should already have demonstrated that they are financially viable at the start of the arrangement. These organisations would have to demonstrate that their circumstances have substantially changed.

HOW TO APPLY

Application forms are available and should be returned by **15th June 2016** for DRR between 1 April 2016 and 31 March 2017.

- Applicants will be informed of the outcome by 13th July 2016 and if successful DRR will be backdated to 1 April 2016.
- Applicants should continue to pay rates until a decision is made. Any overpayment will be refunded to you as part of the process.

If your circumstances change mid-year, please contact Business Rates and ask for an application form and deadlines. We will look at mid-year applications in October and January each year. You should continue to pay rates until a decision is made and we will take into account the need to backdate DRR as part of our decision.

An application form for DRR for charitable/ not for profit organisations is available to [download](#). If you need a hard copy, please contact Business Rates on 0118 937 37 37.

Where to send your Application Form

Business Rates
Reading Borough Council
Civic Offices,
Bridge Street,
Reading,
RG1 2LU