

ALLERDALE BOROUGH COUNCIL

MANDATORY AND DISCRETIONARY RATE RELIEF GUIDANCE NOTES

1. Mandatory Rate Relief

- (a) To qualify for Mandatory Relief the building must be wholly or mainly used for charitable purposes,

and

- (b) The organisation must be established for charitable purposes only or be persons administering a trust for charitable purposes.

Registered charities should enter their Registration Number on the application form and enclose a copy of their certificate and, if criteria (a) above is satisfied they will be eligible for Mandatory Relief.

Charities which are excepted from registration under the Charities Act 1960 are also eligible for Mandatory Relief (e.g. Church Commissioners, Boy Scouts, Girl Guides).

Charity Shops will also be entitled to Mandatory Relief if:-

- (a) they are wholly or mainly used for the sale of goods **given** to the charity;

and

- (b) the proceeds of the sale of the goods are used for the purposes of the charity.

When granted, Mandatory Relief will be for a total of 80% of the rates bill.

Community Amateur Sports Clubs will also usually be eligible for 80% mandatory rate relief.

Any changes to the circumstances affecting entitlement to Mandatory Relief must be notified to the Allerdale Borough Council immediately, including any change of correspondence address for the organisation.

2. Discretionary Rate Relief

Discretionary Relief may be applied for by any organisation including those who already receive Mandatory Relief.

Discretionary Relief is at the discretion of the Council and can be for any amount up to 100% of the total rates payable. For the recipients of Mandatory Relief, this means up to the full amount of the 20% due for payment, after the award of Mandatory Relief.

However, in order for Discretionary Relief to be given, one of the following conditions must be satisfied:-

- (a) The ratepayer is a charity or trustees for a charity and the property is wholly or mainly used for charitable purposes; **or**
- (b) All or part of the property is occupied for the purpose of one or more institutions or other organisations which are **not established or conducted for profit** and whose main objects are charitable or otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts; **or**
- (c) The property is wholly or mainly used for the purposes of recreation, and all or part of it is occupied for the purposes of a club, society or other organisation **not established or conducted for profit.**

If the Council revokes the decision to award Discretionary Relief, or decides to reduce the amount, it may take effect only at the end of a financial year after at least 12 months written notice has been given.

The Council cannot grant Discretionary Relief to itself, or to a County Council or Parish Council.

The government has issued guidelines to Councils to assist them in the determination of their discretionary powers. Each application will be examined individually and treated on its own merits and whilst the Council may determine its own general policy, it may not make its own rules in granting or refusing relief to particular groups or types of organisations en bloc.

The Council reserves the right to seek additional information as necessary and any decision made by the Council in matters of Discretionary Relief is final and not subject to appeal to any other body.