

1 March 2018

## Discretionary Rate Relief changes potentially “disastrous” consequences for Bristol charities

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Not-for-profit groups in Bristol face a very uncertain future as Bristol City Council halts applications for Discretionary Rate Relief (DRR), one month ahead of the new financial year, while it considers changes to the scheme.

DRR currently offers local not-for-profit groups up to 100% relief on business rates. This support enables local charities, voluntary groups and social enterprises to support some of the most vulnerable members of our communities and to provide quality services where gaps exist.

The Council is proposing to restrict the amount of DRR available to local groups with a turnover of over £100k per year. If this decision is taken in March, the immediate reality is that it will leave 19 groups who are currently receiving this rates relief with a significant amount of money to pay going forwards, money that they have not had time to plan and budget for ahead of the start of the new financial year.

Examples of organisations that will be directly affected by the changes from 1<sup>st</sup> April 2018 include:

- Community hubs
- Environmental organisations
- Health and wellbeing organisations
- Drug and alcohol recovery services
- Support for small businesses

Voscur, a local charity which exists to support and represent the voluntary, community and social enterprise sector in Bristol, has urged the Council to consider the detrimental impact on organisations currently delivering excellent social impact through services in our communities.

DRR has been instrumental in pushing forward urban regeneration with community and culture at its heart, as well as providing vital support for organisations that are making a real change in their communities. This relatively small pot of funding provides more value to Bristol than its monetary value. The removal of such a scheme could affect the VCSE sector, the city and the chances of some of the most vulnerable Bristolians.

**Sandra Meadows, Chief Executive of Voscur says:** “The changes to DRR in Bristol, as they are currently described, could have a devastating impact on the groups which rely on this support from Bristol City Council to provide services in our City. Whilst we understand that BCC needs to make savings and create new sources of income, we are concerned that these changes could lead to service reductions in local communities.



“We have proved, time after time, that we are a creative and a resilient sector, capable of adapting to change. If these changes must happen, we urge the Council to thoroughly assess the potential impact on communities. If the proposal is agreed by Bristol City Council on 6<sup>th</sup> March, then affected groups must be given time to plan for the changes to enable them to minimise the impact on service delivery on the ground.”

**Georgina Mallabar, Finance Director of PAPER Arts**, a local social enterprise which could be affected by the changes, told BBC Radio Bristol that they could be “disastrous”.

“The majority of those applying for DRR will probably be community organisations; they’ll be the ones already struggling with funding cuts, already struggling to make ends meet and keep doing what they are doing in the community which is so necessary. By not giving these organisations time to plan and prepare and to make changes to be able to afford this, it’s likely that a lot of them will have to close down.”

Voscur has met with Cllr Craig Cheney (Deputy Mayor for Finance, Governance and Performance) in order to take forward concerns from the sector and with an offer to work with him to explore ways to mitigate or reduce the impact on not-for-profit organisations over the coming financial year.

### **Additional Information**

- Voscur is the support and development agency for Bristol's Voluntary, Community and Social Enterprise (VCSE) sector. We support organisations to increase the impact they create for their clients. Further information about Voscur is available at: <https://www.voscur.org/about>
- For further information or comment, contact Sandra Meadows, Voscur Chief Executive Officer, [sandra@voscur.org](mailto:sandra@voscur.org), 0117 909 9949

Georgina Mallabar’s comments were taken, with her permission, from an interview on BBC Radio Bristol’s breakfast show on 22/02/18.



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