

NATIONAL NON-DOMESTIC RATES HARDSHIP RELIEF



General Information

Section 49 of the Local Government Finance Act 1988 gives the Royal Borough, as a billing authority, discretion to reduce or remit payment of rates where it is satisfied that the ratepayer would sustain hardship if it did not do so, and where it is reasonable for the Royal Borough to do so having regard to the interests of its Council Tax payers.

In making decisions on whether to grant relief, the Royal Borough considers guidance issued by the Ministry of Housing and Local Government Department (MHCLG). The MHCLG has said that whilst it is for each billing authority to decide on the facts of each case whether to exercise its powers under Section 49 – and to judge the extent of those powers – authorities may wish to bear in mind the following guidance:

- i. Although authorities may adopt rules for the consideration of hardship cases, they should not adopt a blanket policy either to give or not to give relief, each case should be considered on its own merits;
- ii. Reduction or remission of rates on grounds of hardship should be the exception rather than the rule;
- iii. The test of 'hardship' need not be confined strictly to financial hardship; all relevant factors affecting the ability of a ratepayer to meet its liability for rates should be taken into account;
- iv. 48 per cent of the cost of any hardship relief granted is met by the Royal Borough, 27 per cent is met by the Greater London Authority and the remaining 25 per cent is met by Central Government.
- v. The 'interests' of Council Tax payers in an area may go wider than direct financial interests. For example, where the employment prospects in the area would be worsened by a company going out of business, or the amenities of an area might be reduced by, for instance, the loss of the only provider of a service in the area; and
- vi. Where the granting of relief would have an adverse effect on the financial interests of Council Tax payers, the case for a reduction or remission of rates payable may still on balance outweigh the cost to them.

In addition to the above guidelines the Council has the following guidelines:

- vii. Hardship relief will not normally be awarded in respect of unoccupied properties
- viii. Relief will not normally be awarded unless the Council is satisfied that the ratepayer's business is viable

- ix. The Council may award relief on compassionate grounds
- x. The Council may award relief where a ratepayer's ability to pay has been affected by circumstances outside their control

How to apply for Hardship Relief

Please complete the attached application form as fully as possible. If you have any difficulties completing the form, please contact the Policy and Control Section on 020 7361 3276 or 2598.

If there is insufficient room on the form for any of your responses, please include them on a separate sheet or sheets noting which number on the form they relate to.

All applications for hardship relief are submitted to the Royal Borough's Executive Director of Resources and Assets. The Executive Director consults the Leadership Team Member for Finance and Modernisation before making a decision.

When we receive your application form we will acknowledge receipt within five working days and let you know when a decision will be made. If we require any further information to progress your application, we will contact you. Once the Executive Director of Resources and Assets has made a decision on whether or not to grant relief, we will write to you within five working days of the decision to let you know the outcome. Please note that once the decision has been made it is final, there is no provision for appeals to be made against it or for ratepayers to re-apply for the same period.

NATIONAL NON-DOMESTIC RATES



THE ROYAL BOROUGH OF
KENSINGTON
AND CHELSEA

APPLICATION FOR RELIEF UNDER SECTION 49 OF THE LOCAL GOVERNMENT FINANCE ACT 1988 (HARDSHIP RELIEF)

1. Name of Ratepayer	
2. Business Rates account number	
3. Address of property to which this hardship application relates	
4. Address for correspondence if different from 3. above	
5. Please describe the nature of the business / organisation (i.e. what sort of goods and / or services do you provide?)	
6. How long has the business / organisation been established?	
7. Please state the number of staff employed by the business / organisation at the property.	Full Time: Part Time:

<p>8. How many of these employees live in the Royal Borough of Kensington and Chelsea?</p>	<p>Full Time: _____ Part Time: _____</p>
<p>9. Please state the days and hours that the property is open for business / in use.</p>	
<p>10. Please state the period for which hardship relief is being sought.</p>	
<p>11. Please detail the factors that have led to the business suffering hardship.</p>	
<p>12. How long do you expect the circumstances giving rise to this application for hardship relief to last?</p>	
<p>13. Any hardship relief granted will normally be for a short fixed period only.</p> <p>a. Please outline the steps being taken to improve the viability of the business over the next twelve months.</p>	<p>13.a)</p>

<p>b. Please explain how these steps will improve your cash flow.</p>	<p>13.b)</p>
<p>14. Please give as much information as possible regarding the reasons why you consider that your business / organisation would sustain hardship if the Council does not reduce or remit the rates due</p>	
<p>15. Does the business / organisation provide a service to the local community which is not provided by any other local business / organisation? If so, please explain what this service is.</p>	
<p>16. Please provide the following with your application form:</p> <ul style="list-style-type: none"> a. copies of the last two years' audited accounts for the business / organisation (if audited accounts are not available, please provide un-audited ones) b. an up-to-date copy of your trading / management accounts showing the current financial position of the business / organisation (If no trading / management accounts are available, please provide other paperwork, such as copies of bank statements, till receipts and VAT / Tax returns for the period for which relief is being sought in order to demonstrate the financial hardship suffered) c. a cash flow forecast for the next twelve months from the date of this application d. a business plan covering the next twelve months from the date of the application e. any other information you think may be appropriate to support your application 	

<p>Declaration: I apply for Hardship Relief and declare that the information given on this form and in any supporting documents is correct to the best of my knowledge and that I have disclosed all information relevant to the consideration of my application.</p> <p>I understand that without the relevant information, the Council cannot consider my application</p> <p>Signed:</p> <p>Name (please print):</p> <p>Capacity in which signed:</p>	
Telephone number	Date:
E-mail address	

Once completed please send the form to:

**Policy and Control (Revenues)
The Royal Borough of Kensington and Chelsea
Third Floor (Purple Zone)
The Town Hall,
Hornton Street
London W8 7NX**

Please remember to enclose the documents described in box 16.