

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 Department for Levelling Up Housing and Communities (DLUHC). The DLUHC 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. 30 per cent of the cost of any hardship relief granted is met by the Royal Borough, 37 per cent by the Greater London Authority and 33 per cent by the 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
- vi. 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 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 Business Rates Technical Team at **LTClient@rbkc.gov.uk** or by phone on **020 7361 3276**.

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 for decision to the Royal Borough's Executive Director of Resources. The Executive Director consults the Lead Member for Finance and Property before making a decision.

When we receive your application form, we will acknowledge receipt within five working days and let you know when the report is submitted for decision. If we require any further information to progress your application, we will contact you.

Once the Executive Director of Resources 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 an appeal to be made against it or for ratepayers to re-apply for the same period.

Please note that if the information requested in box 16 of the Hardship Relief Application Form is not provided, we will not be able to progress your application.