

GUIDANCE NOTES FOR APPLICATIONS FOR RATE RELIEF DUE TO HARDSHIP

Stockton Council will consider applications from ratepayers for reduction or remission in rates on the grounds of hardship in accordance with Section 49 of the Local Government Finance Act 1988.

When considering an application for relief the Council must be satisfied that:

- The ratepayer would sustain hardship if the Council did not grant relief
- It is reasonable to grant relief having regard to the interest of its Council Tax payers.

Under the terms of the legislation 25% of the cost of any relief is passed on directly to Council Taxpayers as part of their bill. The Council must therefore ensure that when granting relief, there is clear benefit to the local community as well as the ratepayer concerned.

Hardship need not be confined to financial hardship and applicants may need to demonstrate other factors affecting their liability to pay.

The interests of local Council Tax payers may also go wider than direct financial interest, for example the Council may consider whether job prospects, other local businesses, or access to amenities and local services may suffer if a business was to close.

It is unlikely that relief will be granted if the Council considers that there is little prospect of the business surviving even if the rates liability was reduced.

Where the business may be eligible for any other type of rate relief for example Rural Rate Relief or Small Business Rate Relief, the Council will ask the business to apply for this type of relief before an application for hardship is considered.

There is a standard form to complete when applying for relief. Any such application must be accompanied by documentary evidence; this must include all or some of the following:

- Copies of professionally prepared accounts
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- A financial projection for the next trading period
- Bank statements
- Cash flow statement
- Order books
- A current or future business plan
- Any additional information to support the application.

The Council also needs to know of any other grants or subsidies the business has received, as this can affect the level of relief that may be awarded.

Each application for relief is considered on its own individual circumstances in accordance with guidance issued by the Government.

The Council's Director of Finance and Business Services has delegated powers to consider each application in consultation with appropriate Cabinet Members, and Ward Councillors for the area in which the business is located.

You must continue to pay your Business Rates whilst the application is being considered and any overpayment will be returned as necessary.

Should you wish to discuss your application before submitting it or require further information on the hardship scheme, please telephone Mrs K Highfield, Business Rates Team Leader on 01642 528552, or email karen.highfield@stockton.gov.uk.