

**Three Rivers Council  
Hardship Rate Relief  
Policy**

## **1 Introduction**

**1.1** This Policy sets out the Council's intentions for dealing with applications for Hardship Rate Relief.

### **1.2 Legislation**

**1.2.1** The provisions are set out in Section 49 of the Local government Finance Act 1998.

### **1.3 Three Rivers Council Policy**

**1.3.1** Applications to reduce or remit the business rate charge will only be considered where the Council is satisfied that the rate payers would otherwise sustain hardship and that it is reasonable to grant relief having regard to the interest of council tax payers who are affected by decisions under this section. This is because 50% of the costs of exercising this power has to be funded by the Council through general fund expenditure.

### **1.4 Criteria**

**1.4.1** Each application for hardship will be considered on its own merits with issues that will need to be considered on each occasion including:-

- All applications should be made in writing from the rate payer, their advocate / appointee or a recognised third party action on their behalf, using the relevant form and contain the necessary information..
- All applications are only intended as short term assistance and will not extend beyond the current financial year, and should not be considered as a way of reducing business rate liability.
- Hardship relief or remission will be the exception and not the rule.
- The financial interests of the council tax payers will not be the overriding factor e.g. employment and amenities provision will also be taken into account.
- Where the granting of relief will have an adverse effect on the financial interests of the council tax payers, relief may still be granted if the case for relief on balance outweighs the costs to the taxpayers.
- The potential amount of any relief may in some cases constitute state aid and therefore adherence to EU regulations must be followed.
- The test of hardship will include an assessment of the ratepayer's individual accounts to verify that the payments of rates would cause hardship.
- An application for Discretionary Hardship Relief can be made at any time. It is at the discretion of the Council to consider granting relief for a backdated period.
- When an application is received for the previous financial year, reasons as to why an application for relief was not made earlier and individual circumstances will be considered when granting a backdated period of

relief.

Relief will normally only be awarded retrospectively. However where you can show that the circumstances will remain the same for a period up to the end of the current financial year relief may be awarded for the remainder of the year.

## **1.5 Period of Hardship Relief**

1.5.1 In all cases relief will end in the following circumstances:

- At the end of the financial year
- All or part of the unoccupied area becoming occupied
- A change of liable person
- The property becomes exempt, or becomes occupied
- The ratepayer enters any form of formal insolvency
- The ratepayers financial circumstances significantly change (the ratepayer must inform the council if their circumstance change e.g. change in rateable value)

From the assessment of the above criteria, the council will determine if the business is suffering from financial hardship due to the payment of Business Rates.

A review of the Discretionary Hardship Rate Relief granted will be undertaken on a yearly basis. A new application form and evidence will need to be submitted by the organisations concerned. The relief will remain on the account unless the new application is refused, then the relief will be removed from the beginning of that financial year and a bill issued for the full year's liability of Non-Domestic Rates.

## **1.6 Examples of appropriate circumstances**

1.6.1 The following examples indicate circumstances where it may be appropriate to award relief. They are included in this policy in the form of broad general guidelines and are not intended to be perspective.

- a) Without rate relief the business will close and deprive local residents of an essential service and protecting employing.
- b) The ratepayer's business has been detrimentally affected by circumstances beyond the ratepayers control and do not constitute part of the normal risks in running a business (e.g. a natural disaster, an unusual or uncontrollable event in the neighbourhood of the business such as a fire making the immediate area of the business unsafe).

N.B. in addition, it must be in the interest of the community as a whole for the Hardship Relief to be granted.

## **1.7 Claiming a reduction due to Hardship**

- 1.7.1 A claim must be made on an approved application form. This application form and any supporting information should be completed and returned to:-

Three Rivers District Council  
Three Rivers House  
Northway  
Rickmansworth  
Herts  
WD3 1RL

Or emailed to [NNDR@threerivers.gov.uk](mailto:NNDR@threerivers.gov.uk)

- 1.7.2 It is the responsibility of the Ratepayer applying for relief to provide sufficient information and documentary evidence to support their applications. If the Ratepayer applying does not or will not provide the required evidence, we will still consider the application but only on the basis of the information and evidence provided.

## **1.8 The decision making process**

- 1.8.1 Upon receipt of a written application form with all supporting evidence, the application will be considered.
- Initial applications will be considered by the Revenues Manager. These will include a review sheet with findings and financial implications and initial recommendations.
  - Recommendations will then be forwarded to the Head of Revenues and Benefits for approval or refusal.
  - The Council will notify the ratepayer of its decision within 14 days of from receipt of the application form and all the necessary supporting documentation.

## **1.9 Review of Decision**

- 1.9.1 Any customer who feels that they have not been correctly dealt with can use the Customer Feedback procedure to make a complaint. Rating Law does not allow for a ratepayer to appeal a decision by the Council on discretionary rate relief. However in the interest of natural justice and in keeping with good customer care practice and principles of open government, this policy provides a mechanism for review of any decision. If a ratepayer is unhappy with the decision made, full details should be submitted, in writing to the Business Rates Team within 30 days of notification of the decision. The case will be reviewed by the Director of Finance. We aim to conclude any review within 30 days.

