



St. Helens
Council

Business Rates **Hardship Relief Policy**

October 2018
Version 1.2

Version	Date Approved	Reference	Comment / Amendments
1.0	12/08/2011		First policy
1.1	07/04/2017	CORP000088	Update of job titles & Financial Implications
1.2	0911/2018	CORP000440	Update of job titles

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St. Helens Council
Business Rates
Hardship Relief Policy

Introduction

Section 49 of the Local Government Finance Act 1998, provides billing authorities with discretionary powers to reduce or remit the payment of Business Rates where it is satisfied that:

- i. the ratepayer would sustain hardship if the authority did not do so; and
- ii. it is reasonable for to do so, having regard to the interests of local council tax payers.

Criteria

St. Helens Council will consider requests for hardship relief on a case by case basis taking into account all relevant circumstances.

In order to apply relief the following two factors must be satisfied:

1) The ratepayer must clearly be able to demonstrate that they will suffer financial hardship if relief is not granted.

The ratepayer must provide the Council with appropriate information to support the application. This will include:

- i. background factors that have contributed to the current financial position;
- ii. actions being taken to address the situation; and
- iii. relevant financial documents to enable a comparison to be made with previous accounting periods, including audited financial statements; management accounts, banking and other records.

2) The Council must determine that it is reasonable to award relief having regard to the interests of local council tax payers.

In addition to the financial implications, the Council will consider the following factors:

- i. The impact on employment in the borough should the business cease trading.
- ii. Whether the business provides an essential service to the community and there is no suitable alternative.
- iii. The business provides a key service that contributes to the borough's priorities.
- iv. The business is sustainable in the long-term.

- v. The business by receiving hardship relief does not obtain a commercial advantage compared to other organisations in the community competing within the same sector.
- vi. The business does not breach State Aid rules.

Financial Implications

The cost of awarding hardship relief is borne by local taxpayers through the collection fund. The Council will take into account its overall financial position and priorities when making awards under this policy.

Period of Relief

The Council must ensure that rate relief is only applied for the period where the ratepayer can demonstrate genuine hardship. Relief will only be awarded for a defined period, possibly retrospectively and will cease at the end of each financial year. Relief will also end in the following circumstances:

- i. The financial circumstances of the ratepayers change. The ratepayer must notify the Council if there is a change in circumstance.
- ii. The ratepayer enters any form of formal insolvency.
- iii. There is a change in ownership.
- iv. The property is used for a different purpose.

Applying the Policy

The Strategic Director of Corporate Services in consultation with other officer(s) will consider applications against the criteria outlined in this policy.

Decisions will be notified in writing.