



Bedford Borough Council

Local Taxation Office, Borough Hall, Cauldwell Street, Bedford, MK42 9AP
Telephone (01234) 718097 Email localtax@bedford.gov.uk

NATIONAL NON-DOMESTIC RATES - HARDSHIP RELIEF

EXPLANATORY NOTES - Please read these notes (Pages 1 & 2) before completing the Application Form (Pages 3 & 4). These notes are intended to give guidance about hardship rate relief but should not be regarded as a complete guide to the law.

1. What is Hardship Rate Relief?

Section 49 of the Local Government Finance Act 1988 gives the Council a discretionary power to reduce or remit the payment of rates by granting Hardship Relief. The Council has agreed a Policy which it will apply when considering application for this rate relief. The Policy states that the principle purpose of an award of hardship relief is to provide short-term assistance to businesses that are suffering unexpected hardship, arising from circumstances beyond the business's control and outside of the normal risks associated with running a business of that type, to the extent that the viability of the business would be threatened if an award were not made.

2. What are the general qualifying criteria?

By law rate relief on the grounds of hardship may only be awarded where the Council considers that:

- (i) The ratepayer would sustain hardship if the Council failed to grant Hardship Relief; and
- (ii) It is reasonable to grant Hardship Relief having regard to the interest of person's subject to the Council Tax.

The test of "hardship" need not be confined strictly to financial hardship and applicants should disclose all relevant factors affecting the ability of the business to meet its rate liability. A business will not be considered to be suffering financial hardship in any annual accounting period during which it is profitable or has experienced a loss which is minor in comparison to the overall turnover of the business.

The "interest" of local Council Taxpayers may go wider than direct financial interests; for example, where employment prospects in an area would be worsened by a ratepayer going out of business, or the amenities of an area might be reduced by, for instance, the loss of a neighbourhood shop.

3. What are the application requirements?

The following information is required in support of applications for Hardship Relief:-

1. Completed Application Form
2. Audited accounts or independently verified accounts for the past two years (or in the case of a new business established for less than twelve months, estimates of annual income and expenditure)
3. A copy of your original Business Plan which includes a brief history of the business
4. A cash flow forecast for a minimum of the next twelve months from date of this application.
5. Copies of your organisation's last three bank statements
6. Any other information that may be required in individual cases.

4. How is Hardship Relief granted?

Any Hardship Relief will normally be granted as a percentage of the rates payable for a specific period but will not extend beyond the end of the rating year in which the application is made.

An applicant who is granted Hardship Relief is entitled to re-apply for Hardship Relief in subsequent years and in the event of such a re-application the Council may require the ratepayer

to provide evidence from an accountant or other professional adviser regarding the long-term financial viability of the business.

5. How are Applications for Hardship Relief Determined?

Each application for Hardship Relief is considered on its merits by the relevant portfolio holder in accordance with the Council's agreed policy. The Council's policy is available to download at www.bedford.gov.uk/business/business_rates/hardship

6. Payment of Rates Whilst Awaiting a Decision

The Council aims to determine applications within four weeks of all requested information being provided. The **ratepayer should not withhold payment of any non-domestic rates whilst awaiting the outcome of an application without prior agreement with the Council**. Legal action to enforce payment may be commenced or continued where payment is withheld without agreement.

The Council is committed to open and transparent decision making and will normally publish details of decisions taken by Portfolio Holders together with all supporting information and background papers. In some circumstances information provided in connection with an application may also be required to be disclosed under the Freedom of Information Act.

7. What factors are taken into account when determining an application?

It is expected that businesses will take prompt action to mitigate any factors giving rise to hardship. Examples of mitigating actions may include seeking business advice, discounts and promotions, reviewing pricing, extending the range of stock or services, negotiating with creditors etc. Applications may be declined in circumstances where the business is unable to demonstrate that it is taking reasonable steps to alleviate the hardship.

Applications will be viewed more favourably where the criteria of the Council's policy are met and the business provides the only goods or services of that type in the local area or where the business is a niche business supplying specialist goods or services that are not widely available.

Award of hardship rate relief will not be made for the purposes of enabling a new business to become established except where the viability of the business is threatened by events that could not reasonably have been foreseen when establishing the business.

Rate relief on the grounds of hardship in respect of rates payable for an unoccupied property will only be awarded in the most exceptional circumstances where there are clear and tangible benefits to local Council Taxpayers in making the award.

Hardship relief will only be considered after eligibility for other forms of rate relief have been considered. Businesses which are situated in a Rural Settlement may qualify for Rural Rate Relief. Small Businesses occupying only one non-domestic property in England may qualify for Small Business Rate Relief. Details of both of these schemes and applications forms are available to download at www.bedford.gov.uk/business/business_rates.

8. Appeals

An applicant may make a request for the decision maker to review a decision but only where either:

- (i) Additional information that is relevant to the application and that was not available at the time the decision was made becomes available; or
- (ii) There are good grounds to believe the application or supporting information was not interpreted correctly at the time the decision was taken.

A request for a review must be made within four weeks of notification of the decision and must set out the reasons for the request and any supporting information.



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NATIONAL NON-DOMESTIC RATES - APPLICATION FOR HARDSHIP RELIEF

To apply for Hardship Relief please complete this application form in BLOCK CAPITAL LETTERS. The form is also available as an Eform at www.bedford.gov.uk/business/business_rates. Please return a signed copy of the application form to the above address together with copies of the following documents:-

- (i) Your audited accounts or independently verified accounts for the past two years (or in the case of a new business established for less than twelve months, estimates of annual income and expenditure),
- (ii) A copy of your original Business Plan incorporating a brief history of the business
- (iii) A cash flow forecast for a minimum of the next twelve months.
- (iv) Copies of your organisation's last three bank statements

If you require any assistance in completing this form, please contact the Local Taxation Office on (01234) 718097 or by email to localtax@bedford.gov.uk.

If there is insufficient space to fully answer any question, please use a separate sheet of paper.

1. Name of Ratepayer and Address of Property on which Relief is claimed	
2. Ratepayer's address (if different to 1)	
3. Please state the period for which Relief is claimed and the amount of Relief requested	
4. What date was your organisation established? Please state month and year.	
5. How is your business set up? e.g. sole trader, partnership, limited company, other (please specify)	
6.. What goods or services does your business provide and which area of Bedford Borough does it serve?	
7. Does your business provide a unique service to the local community?	YES / NO If YES, where is the nearest business providing the same service?
8. How many people do you employ in this business?	Full-Time: Part Time:
9. How many of these employees live in the Bedford Borough Council administrative area?	Full-Time: Part-Time:

<p>10. What particular factors have led to your business suffering hardship? You need to demonstrate here that the hardship is temporary and will be relieved by one-off assistance in this financial year. (An example of how a business has been affected could be that footfall has been reduced for a limited period by an unforeseen event such as fire or flood).</p>	
<p>11. What specific actions have you taken to improve the future viability of your business before contacting the Council for Relief?</p>	
<p>12. What are the consequences for your business if the Council declined to grant some or all of the Relief requested?</p>	
<p>13. What are the consequences for the local community if the Council declined to grant some or all of the Relief requested?</p>	
<p>14. Is the business receiving (or in the process of seeking) financial assistance from any other source?</p>	<p>YES / NO If YES, please give details If NOT, why not?</p>
<p>15. Does the business have debts which may result in a creditor taking action to enforce recovery or commence insolvency proceedings?</p>	<p>YES / NO If YES, please give details</p>
<p>16. Do you or anyone with a financial interest in your business have unsatisfied debts with Bedford Borough Council?</p>	
<p>17. Do you or anyone with a financial interest in your business have unsatisfied County Court Judgments (CCJ's)?</p>	
<p>18. Have you or any of the persons connected with this business been made bankrupt or been disqualified through a court order or by an undertaking of the Insolvency Service in the last five years?</p>	<p>YES / NO If YES, please give details</p>
<p>19. Please state any other information which you consider is relevant to support your application for Hardship Relief</p>	

Declaration

I apply for Hardship Relief and declare that the information given on this form and any supporting documents is correct and that I have disclosed all information relevant to consideration of my application.

I authorise the Local Taxation Office to make any enquiries necessary to verify the information which may include a search of my credit file with a credit reference agency. The Council may use this information in conjunction with its own records.

I understand that all decisions may be published together with the application forms and supporting information (which include financial information) which were considered in reaching the decision.

I understand that without the relevant information, the Council cannot process this application and so I enclose the following documentation:

1.	Audited accounts or independently verified accounts for the past two years (or in the case of a new business established for less than twelve months, estimates of annual income and expenditure),
2.	A copy of my original Business Plan incorporating a brief history of the business
3.	A cash flow forecast for a minimum of the next twelve months from the date of this application.
4.	Copies of my organisation's last three bank statements

I undertake to continue to make payment of rates pending the outcome of this application.

I undertake to notify the Council immediately if the business' circumstances change.

I am the ratepayer or I am a person properly authorised to sign this application on behalf of the ratepayer in the capacity shown below.

I understand that the information I have provided may be shared with other organisations in accordance with Data Protection Act 1998 (see below).

Signed..... Name of Signatory.....

Capacity in which signed (e.g. ratepayer) Date/...../.....

Email address..... Daytime Telephone Number

Warning – providing false, inaccurate or misleading information in connection with this application may result in the Council taking legal action against you including action under the Fraud Act 2006.

DATA PROTECTION - Personal information held for Business Rate purposes will be held and used in accordance with the requirements of the Data Protection Act 1998. To assist the Council in the prevention and detection of fraud so that it can protect the public funds it administers, the Council may use information provided for Business Rate purposes within this Authority for data matching purposes. It may also data match information provided for Business Rate purposes with other public bodies that regulate, administer or are in receipt of public funds for the purposes of the prevention and detection of fraud.

Form NNDR/Hardship/Mar13