

Rother District Council

Report to: Cabinet

Date: 7 February 2022

Title: COVID-19 Additional Relief Fund (CARF) – Discretionary Non-Domestic Rate Relief Scheme

Report of: Chris Watchman, Revenues and Benefits Manager

Cabinet Member: Councillors Bayliss and Dixon

Ward(s): ALL

Purpose of Report: To agree a COVID-19 Additional Relief Fund scheme to provide Non-Domestic Rate Relief to businesses affected by the pandemic but not eligible for existing relief schemes

Decision Type: Non-Key

Officer

Recommendation(s): It be **RESOLVED:** That the:

- 1) COVID-19 Additional Relief Fund outlined in the report be approved; and
- 2) Chief Executive be granted delegated authority in consultation with the Cabinet Portfolio Holders for Finance and Performance Management and Economic Development and Regeneration to finalise the amount of reduction and detailed criteria.

Reasons for

Recommendations: To maximise the use of the available funding to support as many local eligible businesses as possible.

Introduction

1. On 15 December 2021, the Government published guidance for local authorities on how to operate and deliver the COVID 19 Additional Relief Fund (CARF).
2. The fund has been made available to offer support by way of a business rate reduction to businesses affected by the pandemic but who are ineligible for existing support linked to business rates.
3. The Government is not changing the legislation in respect of business rate relief. Instead it will, in line with the eligibility criteria set out in the guidance reimburse local authorities where relief is granted using discretionary powers under section 47 of the local Government finance act.
4. This report makes proposals for this new scheme as detailed below.

Funding Received

5. A total of £1,289,994 has been allocated to Rother District Council for the CARF scheme, which is required to be applied to the business rates account of eligible businesses during the 2021/22 billing period (i.e. 1 April 2021 to 31 March 2022).

Scheme Requirements

6. It is for each local authority to design, adopt and implement a scheme within their boundary that determines the eligibility criteria and the level of support to be provided.
7. The guidance from Government does, however, set out some expectations in how the funding is expected to be used by the local authority to grant relief to eligible businesses.
 - not award relief to ratepayers who for the same period of the relief either are or would have been eligible for the Extended Retail Discount (covering Retail, Hospitality and Leisure), or the Nursery Discount Scheme;
 - not award relief to a hereditament for a period when it is unoccupied (other than hereditaments which have become closed temporarily due to the government's advice on COVID-19, which should be treated as occupied for the purposes of this relief); and
 - direct support towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to that impact.
8. In line with section 48(8) of the Local Government Finance Act 1988, the Council also must not grant any relief to itself or to either local or major precepting authorities.

Local Scheme Design and Administration

9. The purpose of the scheme is to support businesses who have been adversely affected by the pandemic. Therefore, as it is likely that not all rate payers have been affected, it is proposed that the following business sectors/property types be excluded from the scheme:
 - a) All public sector organisations (e.g. NHS Trusts, Environment agency etc.)
 - b) Education establishments (e.g. Schools and Colleges)
 - c) Financial Service organisations (e.g. banking, accountancy and insurance)
 - d) Legal services (e.g. Solicitors)
 - e) Raw construction material producers
 - f) Utility Companies (e.g. Water, Gas and Electricity)
 - g) Medical (e.g. Doctors, Dentist and Vets)
 - h) Communication (e.g. Masts and Transmitters)
 - i) Advertising Sites
 - j) Beach Huts
 - k) Land for storage
 - l) Show Homes
 - m) Car Parks/Spaces
10. Given the speed in which the Council is required to act in order to apply relief during the 2021/22 billing period, it is suggested that the scheme needs to be

as straight forward to administer as possible. Therefore, it is proposed that the same percentage reduction is given to all eligible businesses.

11. Work has taken place to identify the level of the reduction whilst remaining within the funding limits. Initial findings suggest the reduction for eligible businesses will be in the region of 38%. This will also allow a small buffer to take account of any rateable value changes that may occur whilst the scheme remains open.
12. Eligible businesses will receive the relief automatically, although they will be expected to confirm by way of a declaration that they have been adversely affected by the pandemic and that they comply with the UK's domestic and international subsidy control obligations.

Conclusion

13. Members are asked to approve the CARF scheme as detailed in the report. it is also proposed to delegate authority to the Chief Executive in consultation with the Cabinet Portfolio Holders for Finance and Performance Management and Economic Development and Regeneration to finalise the amount of reduction and detailed criteria.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	External Consultation	No
Environmental	No	Access to Information	No
Risk Management	No	Exempt from publication	No

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Appendices:	None.
Relevant Previous Minutes:	None.
Background Papers:	None.
Reference Documents:	None.