



North Devon Council

Report To/Date: Strategy and Resources 4 April 2022

Topic: Discretionary Business Rates Relief/COVID-19 Additional Relief Fund

Report by: Head of Customer Focus

1. INTRODUCTION

1.1. On 25 March 2021, the Government announced plans to provide an additional business rates support package, worth £1.5 billion, to support businesses in England affected by COVID-19 but not eligible for existing support linked to business rates.

1.2. In December 2021 the Government issued guidance for the administration of the COVID-19 Additional Relief Fund (CARF) together with details of each billing authority's funding allocations. **(Appendices A and B)**

1.3. Billing authorities are responsible for designing a discretionary relief scheme, using discretionary relief powers under section 47 of the Local Government Finance Act 1988, to administer this funding. The Government will reimburse authorities, by means of a section 31 grant, up to the maximum allocation.

1.4. North Devon Council has been awarded £1,812,522 from the £1.5 billion funding and our policy for the granting of this funding is attached as **Appendix C** to this report.

2. RECOMMENDATIONS

2.1. That members approve the adoption of the policy for the granting of COVID-19 Additional Relief Fund.

3. REASONS FOR RECOMMENDATIONS

3.1 It is good practice for the Council to have readily understood guidelines for deciding whether or not to grant relief and for determining the amount of relief.

4. REPORT

4.1. Whilst the Council is required to determine its own scheme for the administration of CARF, the Department for Levelling Up, Housing and Communities has stated that, in order for the Council to receive the allocated funding, it must;

- **Not** award relief to ratepayers who for the same period of the relief are, or would have been, eligible for the Expanded Retail Discount (covering Retail, Hospitality and Leisure) or the Nursery Discount
- **Not** award relief to a hereditament for a period when it was unoccupied and
- Direct support towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to that impact



4.2. In line with section 47(8) of the Local Government Finance Act 1988, the Council must not grant any relief to itself or to either local or major precepting authorities.

4.3. The proposed criteria for our COVID-19 Additional Relief fund are as follows;

- The ratepayer is **not** eligible (or would **not** be eligible) for the Expanded Retail Discount or the Nursery Discount.
- The ratepayer is **not** entitled to either Small Business Rate Relief or Rural Rate Relief granted at 100%.
- The ratepayer is **not** entitled to mandatory relief (80%) and discretionary top up of 20%.
- The hereditament is treated as occupied by the Council as of 15th December 2021 (the date that the legislation was passed).
- The ratepayer can confirm that they have been adversely affected by the pandemic
- The ratepayer is not subject to Subsidy Control (as detailed in the guidance in **Appendix A**).
- The ratepayer is not excluded by the list of excluded businesses as shown in **Appendix D**. This is a list of businesses, compiled in conjunction with the other Devon Councils, who would be excluded because of either Government Guidance (above) or because they would not appear to have been adversely affected by the Pandemic

4.4. Where the ratepayer meets all the relevant criteria as listed above relief will be automatically awarded at 50% of the 2021/2022 liability after any other reliefs and reductions have been applied. This relief will be capped at a maximum of £20k per business (irrespective of the number of hereditaments that may qualify for the relief). Businesses will be given the opportunity to refuse help if they feel that they have not been adversely affected by COVID-19 and will be advised that supporting evidence may be requested post award.

4.5 Modelling shows that we will be left with 10% of our allocated budget to be used as a contingency fund to help those businesses, on a case by case basis, who can demonstrate that they have been adversely affected by COVID-19 despite being in the list of excluded businesses in **Appendix D**.

5. RESOURCE IMPLICATIONS

5.1. The additional measures announced by the Government as part of its response to Covid-19 will be reimbursed to the Council via a section 31 grant.

5.2. Further funding will be awarded to cover the additional administration and software burden on billing authorities.



6. EQUALITIES ASSESSMENT

Please detail if there are/are not any equalities implications anticipated as a result of this report. If so, please complete the Equality Impact Assessment (EIA) Summary form available on Insite and email to the Corporate and Community Services Team at equality@northdevon.gov.uk.

6.1. An assessment has been carried out. There are no equality implications anticipated as a result of this report.

7. ENVIRONMENTAL ASSESSMENT

Please undertake an Environmental Assessment and complete the checklist (EAC) form available on Insite. If there are no environmental implications arising from your proposals please state that there are none. If after completion of the assessment there are environmental implications please provide a brief summary. If you require any further information please contact the Sustainability and Climate Change Officer. Email completed EACs to donna.sibley@torridge.gov.uk.

7.1. There are no environmental implications arising from the proposals in this report.

8. CORPORATE PRIORITIES

What impact, positive or negative, does the subject of this report have on:

8.1. The commercialisation agenda:

8.2. Improving customer focus and/or it is essential that the Council applies available powers and devises a scheme to award Government funding to help support local businesses during these difficult times.

8.3. Regeneration or economic development as above

9. CONSTITUTIONAL CONTEXT

9.1. Article of Part 3 Annexe 1 paragraph: Part 3 Annex 4

9.2. Referred or delegated power? Delegated

10. STATEMENT OF CONFIDENTIALITY

This report contains no confidential information or exempt information under the provisions of Schedule 12A of 1972 Act.

11. BACKGROUND PAPERS

The following background papers were used in the preparation of this report:



Department for Levelling Up, Housing and Communities COVID-19 Additional Relief Fund (CARF) Guidance (attached **Appendix A**)

12. STATEMENT OF INTERNAL ADVICE

The author (below) confirms that advice has been taken from all appropriate Councillors and Officers: Julie Dark