

EXECUTIVE DECISION RECORD

REF No 465.22

A1 Service Area	Revenues, Benefits & Customer Contacts
A2 Title	EDR Covid-19 Additional Relief Fund Discretionary Non-Domestic Rate Relief Revised 26/09/22 (2nd revision)
A3 Decision Taken By	Deputy Leader / Chief Officer
A4 Chief Officer	Please print name: Sal Khan Please sign name: Approval by email 260922
A5 Leader	Please print name: Cllr B G Peters Please sign name: Approval by email 260922
A6 Date of Decision	26 th September 2022

Confidentiality

A7 Is this Decision confidential by containing exempt information as described in Schedule 12A of the Local Government Act 1972?	No
A7.1 If yes, please state relevant paragraph from Schedule 12A LGA 1972.	N/A

Scrutiny

A8 Which Scrutiny Committee should this decision be submitted to? *(Please tick as appropriate)* ✓

Scrutiny (Audit & Value for Money Council Services) Committee

Scrutiny (Community Regeneration, Environment and Health and Well Being)

Committee ✓

B1 What is the Decision?

To approve the recommendation shown in paragraph B2 for the Council's Covid-19 Additional Relief Fund Discretionary Non-Domestic Rate Relief scheme (CARF) by: Enabling a business to submit an single declaration that may be applied to a number of properties occupied by the same business; The acceptance of declarations from employees of the business (e.g. financial controller/manager, property manager and akin); Approve delegated powers to the Council's s151 officer to determine the maximum amount of relief up to 100%.

Other than these recommendation, no other changes are made to the CARF scheme as detailed in the approved EDRs of 22 August 2022 and amendments of 20 September 2022.

B2 What are the reasons for the Decision?

This amendment to the existing policy will ensure that the CARF funding will be available to a wider base of local businesses.

Initially businesses that occupied 419 properties with an aggregate rateable of up to £500,000 were invited to submit declarations for CARF relief, presently assessed at 40%. Mailshots were issued to these businesses on 5 and 12 September and 146 declaration had been submitted by mid-day on 14 September.

Initial reviews of submissions concluded that a very high number of the applications submitted were rejected, primarily because they were excluded due to the VOA property SCAT codes.

A review of the SCAT codes was undertaken with a view to increasing the number of businesses that may be eligible to CARF by not excluding certain SCAT codes from the Council's CARF scheme.

As a result of this review, occupants of properties with the permitted SCAT codes would then potentially qualify for CARF (subject to all other qualifying criteria being met).

In relation to all other SCAT codes, those properties remain excluded from the CARF scheme.

This increased the potential number of properties that may be eligible to 603 and enables many businesses that would otherwise have been excluded to now be considered for relief.

At the time these changes were adopted (ERD463.22), another mailshot was issued to the newly identified potential qualifiers plus those that had not submitted declarations. A further cold calling exercise was also undertaken and a further 66 declarations were submitted as at 09:00 on 24 September.

Recommendations

An analysis of the submitted declarations has been conducted (detailed under Financial Implication – Revenues) consequently the following recommendations are made

	<ol style="list-style-type: none"> 1. Enable a business to submit a single declaration that may be applied to a number of properties occupied by the same business 2. The acceptance of declarations from employees (financial controller/manager, property manager and akin) in addition to those with persons capacity NB - those submitted by third parties must still be rejected (agents, accountants etc) 3. Approve delegated powers to the Council's s151 officer to determine the maximum amount of relief up to 100%.
B3 What are the contributions to Corporate Priorities?	As the funding will support businesses it contributes to the priorities 'Community Regeneration' and 'Value for Money Council Services'
B4 What are the Human Rights considerations?	There are no Human Rights issues arising from this decision.

Financial Implications

B5 What are the financial implications?	<p>The CARF scheme is fully funded by the Government under Section 31 of the Local Government Finance Act 2003.</p> <p>Based on the proposed revised criteria 603 businesses have been identified as potential recipients of CARF from existing records with an unknown number who may qualify upon receipt of their declarations.</p> <p>Funding totals £3,568,466.00 and any unspent monies must be returned to the Government following the closure of the scheme.</p>
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Revenue**2021/22**

603 properties were identified as potentially meeting the revised qualifying criteria prescribed within the Policy (as amended by reference to allowable SCAT codes) and a further 19 declaration were submitted by businesses that had not been previously identified as potentially eligible. Of these 622 potential qualifiers, 281 declarations have been received with a total RV of £8,134,147 which provides for nett rates payable (after the application of other reliefs) totalling of £3,970,481.34. 96 of the declarations have been assessed with the following outcomes

Decision	Nmbr	Rates Due £s
Approved	44	584,483.03
Reject No capacity	7	204,628.00
Reject SCAT code now allowed	26	417,178.63
Rejected Other reasons	16	383,454.83
CARF declined	3	212,992.00
To be assessed	185	2,167,744.85

26 cases previously rejected but now allowed under the first EDR revision (EDR 463.22) relating to SCAT codes plus a further 7 under the latest EDR 465.22 where they were rejection on the basis of no capacity will be reviewed. It is anticipated most, if not all, will subsequently be approved. Where this proves to be the case, the approvals will increase to 77 where the rates due total £1,206,289.66. This equates to 76% by reference to rates payable. Where this percentage is applied to the cases yet to be assessed, it may be concluded that another £1,647,486.09 relief at 100% may be applied. This increase the CARF spend to £2,853,775.75. If the ratepayer that refused relief (before the criteria was changed) submits a further declaration and is subsequently approved, the spend will then increase to £3,066,767.75

Allocated Funds

£3,568,466.00

100% CARF relief on nett rates payable of potential approvals

£3,066,767.75

The percentage of relief may be increased or decreased to ensure the allocated funds paid to businesses is not exceeded or that the underspend does not exceed 5% of the funding received

Revenue	2021/22
The Council's allocation totalled £3,568,466.00 hence a potential underspend of £501,698.25 will have to be returned	

Capital	2021/22	2022/23	2023/24
Not Applicable			

The finance section has been approved by the following member of the Financial Management Unit:	Please print name: Lisa Turner Please sign name: Approval by email 260922
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Policy Framework

B6 Is the Decision wholly in accordance with the Council's policy framework?	Yes
B6.1 If No, does it fall within the urgency provisions (Part 3 of the Constitution)?	NA
B6.2 Has it got the appropriate approvals under those provisions?	NA
B7 Is the Decision wholly in accordance with the Council's budget?	Yes
B7.1 If No, does it fall within the urgency provisions (Part 3 of the Constitution)?	NA
B7.2 Has it got the appropriate approvals under those provisions?	NA

Equalities Implications

B8 What are the Equalities implications:
B8.1 Positive (Opportunities/Benefits):
B8.2 Negative (Threats):
B8.3 The subject of this decision is not a policy, strategy, function or service that is new or being revised. An equality impact assessment is not required
B8.4 [The equality impact assessment identified the following actions to be carried out:]

Risk Assessment

B9 What are the Risk Assessment implications:
B9.1 Positive (Opportunities/Benefits):
B9.2 Negative (Threats):
B9.3 The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

Legal Considerations

B10 What are the Legal Considerations:	
B10.1 These are contained in the main body of the Report.	
B10.2 By widening the type of businesses who will now be eligible for CARF relief legal challenges from businesses not originally eligible will be avoided, although there is still the risk of excluded businesses raising a challenge.	
This section has been approved by the following member of the Legal Team:	Please print name: Glen McCusker – Locum Solicitor
	Please sign name: Approval by email 260922

Sustainability Implications

B11 What are the Sustainability implications:
B11.1 The proposal would not result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures). The positive/negative impacts are set out below (please refer to guidance notes).
B11.2 Positive (Opportunities/Benefits):
B11.3 Negative (Threats):

Health & Safety Implications

B12 What are the Health & Safety implications:
B12.1 A Risk Assessment has not been carried out and entered into Safety Media for all significant hazards and risks because there are no significant hazards or risks arising from this decision.
B12.2 [The significant hazards and risks have been identified in the Safety Media Risk Assessment numbered []. Any financial implications to mitigate against these hazards and risks are considered above.]
B12.3 [Control measures and an action plan have been identified for any significant hazards and risks identified in the risk assessment. The positive/negative impacts are set out below]
B12.3.1 Positive (Benefits)
B12.3.2 Negative (Threats)

Key Decision

B13 Is this a Key Decision? NO

Note: A Key Executive Decision is one where:

1. **REVENUE** – Any contract or proposal with an annual payment or saving of more than £100,000
2. **CAPITAL** – Any capital project with a value in excess of £150,000
3. A decision which significantly affects communities living or working in an area comprising two or more wards.

B13.1 If this is a Key Decision, is this an urgent decision such that a delay caused by use of the Call-in Procedure would <u>seriously</u> prejudice the public interest?	No
B13.2 If yes, has the Mayor or in his/her absence the Deputy Mayor or in his/her absence the Chair of the relevant Scrutiny Committee agreed that the decision will be exempt from Call-in?	NA

NOTE: If this decision is subject to the Call-in Procedure it will come into force, and may then be implemented, on the expiry of 3 working days after publication – unless 10 Members of the Council call in the decision.

Please send the original signed document to andrea.davies@eaststaffsbc.gov.uk