



# EXECUTIVE BOARD DECISION

**REPORT OF:** Vicky McGurk, Executive Member for Finance and Governance  
**LEAD OFFICERS:** Dean Langton, Director of Finance  
**DATE:** 19<sup>th</sup> May 2022

**PORTFOLIO/S  
AFFECTED:**

**WARD/S AFFECTED:** (All Wards);

**KEY DECISION:** YES  NO

**SUBJECT: Business Rates COVID 19 Additional Relief Fund (CARF) Policy (amended)**

## 1. EXECUTIVE SUMMARY

The budget in October 2021 announced a new Covid 19 Additional Relief Fund (CARF) of £1.5 billion. The fund is intended to be available to support businesses adversely affected by the pandemic that are ineligible for the existing support linked to Business Rates, i.e., Small Business Rates Relief, Expand Retail Discount and Nursery Discount.

On 15<sup>th</sup> December 2021 the Government issued guidance to local authorities detailing how the scheme should operate and how much each authority has been allocated. Blackburn with Darwen BC's allocation totals £3,678,533.

The relief was launched in February and potentially eligible businesses were contacted and invited to apply online. Due to the low number of applications, an amendment to the policy is now proposed.

## 2. RECOMMENDATIONS

That the Executive Board:

- approves the amended COVID 19 Additional Relief Fund (CARF) policy for 2021/22;

## 3. BACKGROUND

In March 2021 the government provided initial details on the additional support that would be put in place for businesses affected by the pandemic. Further details were outlined in the budget on the 27<sup>th</sup> October 2021 which established the Covid-19 Additional Relief Fund (CARF) for businesses who have had little support during the pandemic but been adversely affected.

In January 2022, following extensive discussions, a policy was agreed whereby eligible businesses would be invited to apply for the relief via an on line application process. Despite extensive communication and marketing of the scheme, only 101 applications were received before the closing date on 31<sup>st</sup> March 2022.

To ensure the full allocation of £3,678,533 is used to support businesses in the borough, an amendment to the scheme is now proposed.

The amended relief policy is attached as Appendix A.

#### **4. KEY ISSUES & RISKS**

##### **4.1 Covid-19 Additional Relief Fund (CARF)**

Whilst individual councils are responsible for designing their own local scheme, the broad guidance issued by the Department of Levelling Up, Housing and Communities must be followed. This includes:

- Not to award the CARF relief if the ratepayer is, or would, be eligible for the Extended Retail Discount, or Nursery Discount.
- Not to award relief to a property for a period when it is unoccupied (other than if the property was closed temporarily due to covid restrictions).
- Support should be directed towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to that impact.

The initial approach of inviting businesses to apply only produced low numbers of applications. To ensure the full funding allocation is dispersed to businesses, it is now proposed that the Business Rates team review the details of all potentially eligible businesses and make a direct award to accounts. The amount of relief will be the percentage relief that can be awarded for the 2021/22 liability.

It is proposed that an initial award totalling 90% of the fund is awarded to eligible businesses. The remaining 10% can be held back to ensure unidentified businesses and variations in rateable value are accommodated. Any remaining monies left in the fund will be allocated across all eligible businesses later in the year as the fund is brought to an end.

#### **5. POLICY IMPLICATIONS**

The proposed changes to the CARF Discretionary Policy are detailed in full in Appendix A.

#### **6. FINANCIAL IMPLICATIONS**

Covid 19 Additional Relief will be administered in accordance with the available funding. The government have allocated the council a total of £3,678,533 for this relief.

This relief will be cash limited and once allocated no further applications will be considered.

The government has also announced that additional burdens monies will be made available to councils for the costs associated with this work.

#### **7. LEGAL IMPLICATIONS**

The schemes will be administered through the Council's discretionary relief powers under Section 47 of the Local Government Act 1988 (as amended).

The policies provide transparency and show the criteria that the Council will apply when making their decisions as to whether or not to grant the relief. The Council must, however, consider applications which may fall outside the policies and should not be fettered in its decision making by the terms of the policy. The council is, however, bound by the guidance set out by the Government as to when reliefs can be made.

## 8. RESOURCE IMPLICATIONS

Any additional work required from the changes listed in the policy documents will be undertaken within existing resources.

## 9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1  Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2  In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3  In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

## 10. CONSULTATIONS

None.

## 11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

## 12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

<b>VERSION:</b>	<b>1</b>
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<b>CONTACT OFFICER:</b>	<b>Andy Ormerod</b>
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<b>DATE:</b>	19 <sup>th</sup> May 2022
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<b>BACKGROUND PAPER:</b>	Appendix A – Covid-19 Additional Relief Fund (CARF) amended
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