

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**EXECUTIVE MANAGEMENT TEAM'S  
REPORT TO**

**Cabinet**  
**23 March 2022**

**Report Title:** COVID-19 Additional Relief Fund Discretionary Non-Domestic Rate Relief Policy

**Submitted by:** Head of Finance (S151 Officer)

**Portfolios:** Finance, Town Centres and Growth

**Ward(s) affected:** All

**Purpose of the Report**

To outline the COVID-19 Additional Relief Fund Discretionary Non-Domestic Rate Relief Policy.

**Recommendations**

1. To approve the COVID-19 Additional Relief Fund Discretionary Non-Domestic Rate Relief Policy.

**Reasons**

Central Government has provided the authority with funding to assist those ratepayers who businesses have been (and continue to be) affected by the pandemic but that are ineligible for existing support linked to business rates.

1. **Background**

- 1.1 The purpose of this policy is to determine the level of discretionary relief payable under the Council's COVID-19 Additional Relief Fund (CARF) scheme.
- 1.2 Central Government has provided the authority with funding to assist those ratepayers who businesses have been (and continue to be) affected by the pandemic but that are ineligible for existing support linked to business rates.
- 1.3 The Government has not changed the legislation relating to the business rates reliefs available to properties. Instead, the Government will, in line with the eligibility criteria set out in this policy, reimburse local authorities where relief is granted using discretionary relief powers under section 47 of the Local Government Finance Act 1988.
- 1.4 Whilst funding is provided by Central Government, it is for the Council to decide its own local scheme and determine in each individual case whether to grant this particular relief.
- 1.5 Relief under the CARF scheme will only be available to reduce chargeable amounts in respect of the 2021/22 financial year.

2. **Issues**

- 2.1 Whilst the Council has determined its own scheme, 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 either are or would have been eligible for the Expanded Retail Discount (covering Retail, Hospitality and Leisure), the Nursery Discount or the Airport and Ground Operations Support Scheme (AGOSS);
- 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 their support towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to that impact.

3. **Proposal**

3.1 To approve the COVID-19 Additional Relief Fund Discretionary Non-Domestic Rate Relief Policy.

4. **Reasons for Proposed Solution**

4.1 The Council is expected to assist the eligible businesses by pass-porting the financial support as soon as possible.

5. **Options Considered**

5.1 Not applicable.

6. **Legal and Statutory Implications**

6.1 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.

6.2 The relief will be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, excluding those where the Council has provided relief using its wider discretionary relief powers introduced by the Localism Act 2011 which are not funded by section 31 grants.

6.3 Where any reduction or remission is granted to a ratepayer under S49 Local Government Finance Act 1988 (where hardship is proven to the Council), then there will be no requirement to grant CARF Discretionary Rate Relief for that amount.

7. **Equality Impact Assessment**

7.1 The Council is keen to support such initiatives especially where they are designed to help local businesses and will look to maximise both the reliefs given as well as maximise any grants receivable.

8. **Financial and Resource Implications**

8.1 The Councils Central Government COVID-19 Additional Relief Fund Discretionary Non-Domestic Rate Relief allocation is £2,409,249.

8.2 Central government will fully reimburse local authorities for discretionary relief awards which comply with the guidance up to the maximum level of the allocations. Because billing authorities have completed their NNDR1s for 2021/22 already, payments to major precepting authorities will

be unaffected by the award of the relief. Therefore, within the year billing authorities only will be provided with “on account” section 31 payments covering the full amount of relief awarded to ensure that their cashflow is not affected.

8.3 After the end of the year, billing authorities will be asked to provide outturn data on the actual total cost of providing the relief via the NNDR3 forms for 2021/22. The loss of income resulting from the relief for each billing authority and major precepting authority will be reconciled against the on-account payments made over the course of the year and any difference will be paid or recovered.

## 9. **Major Risks**

9.1 The key risk is that the Council receives a high request for the discretionary fund and as a result exceeds its funding allocation.

## 10. **UN Sustainable Development Goals (UNSDG)**

10.1 As the proposals relate to supporting businesses following the COVID-19 pandemic they will impact a number of UN Sustainable Development Goals (UNSDG). These are:-



## 11. **Key Decision Information**

11.1 The discretionary funding allocation is £2,409,249 and the policy requires Members approval.

## 12. **Earlier Cabinet/Committee Resolutions**

12.1 None

## 13. **List of Appendices**

13.1 COVID-19 Additional Relief Fund Discretionary Non-Domestic Rate Relief Policy.

## 14. **Background Papers**

14.1 Central Government Guidance published in December 2021.