

EXECUTIVE DECISION RECORD

REF No 463.22

A1 Service Area	Revenues, Benefits & Customer Contacts
A2 Title	EDR Covid-19 Additional Relief Fund Discretionary Non-Domestic Rate Relief Revised 20/09/22
A3 Decision Taken By	Deputy Leader / Chief Officer
A4 Chief Officer	Please print name: Sal Khan Please sign name: Approval by email 200922
A5 Leader	Please print name: Cllr P G Peters Please sign name: Approval by email 200922
A6 Date of Decision	21 st 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), adoption of amendments to CARF Policy relating to the Valuation Office Agency property SCAT codes that will now be eligible for CARF and the closing date for the submissions of declarations be extended to 26 September 2022.

Other than this recommendation, no other changes are made to the CARF scheme as details in the approved EDR of 22 August 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 cold calling exercise was conducted on 14 and 15 September and a further 94 declarations were submitted increasing the total received to 240 by close of business on 16 September.

However, notwithstanding contact via mailshots and cold calling, it is anticipated that without making the amendment, the Council could be left with considerable unspent funds from its £3,568,466.00 allocation.

Given these circumstances, a review of the SCAT codes was undertaken with a view to increasing the number of businesses that may be eligible to CARF by allowing certain SCAT codes that may be considered more favourably and not exclude such properties from the Council's CARF scheme.

As a result of this review, it is recommended that the following SCAT codes be removed from the list of excluded properties and which will now enable businesses that occupy such properties to potentially qualify for CARF (subject to all other qualifying criteria being met).

VOA Code	VOA Description
003	Advertising Right
009	Aluminium Smelting Works
016	Artificial Fibre Works
017	Asphalt Plants
020	Baling Plant
027	Boat Yards

032	Brickworks (Traditional) Clay Tile / Pipe Works
033	Bulk Cement Storage Depots
051	Cement Tile Works
052	Cement Works
055	Chemical Works
063	Coking and Carbonising Plants
068	Computer Centres (Non-Purpose Built)
069	Computer Centres (Purpose Built)
071	Concrete Batching Plants
072	Concrete Block Works
073	Concrete Product Works
096	Factories, Workshops and Warehouses (but exclude food manufacturers and processors)
110	Foundries
111	Funeral Parlours / Chapels of Rest
113	Garages (Transport and Commercial)
123	Gypsy Camp Sites (Short Stay)
127	Hereditaments Used For Primary Treatment / Processing of Minerals
129	High Tech Warehouses
142	Iron and / or Steel Works
144	Laboratories
146	Land Used for Advertising
147	Land Used for Car Boot Sales
148	Land Used for Storage
150	Landfill Sites
151	Large Distribution Warehouses
153	Large Industrial (Over 20000m ²)
161	Lorry Parks
166	Mechanised Handling Depots
167	Mineral Producing Hereditament - Blockstone
168	Mineral Producing Hereditament - Brine
169	Mineral Producing Hereditament - Chalk
170	Mineral Producing Hereditament - China Clay
171	Mineral Producing Hereditament - Clay
172	Mineral Producing Hereditament - Coal

173	Mineral Producing Hereditament - Fluorspar
174	Mineral Producing Hereditament - Gas
175	Mineral Producing Hereditament - Hardrock
176	Mineral Producing Hereditament - Inert
177	Mineral Producing Hereditament - Oil
178	Mineral Producing Hereditament - Other Mineral Category
179	Mineral Producing Hereditament - Putrescible
180	Mineral Producing Hereditament - Sand and Gravel
181	Mineral Producing Hereditament - Shale Burnt
182	Mineral Producing Hereditament - Shale Unburnt
183	Mineral Producing Hereditament - Slate
184	Mineral Producing Hereditament With Batching Plant
186	Mineral Producing Hereditament With Tunnel Kiln
189	Moorings (Floating Hereditaments)
192	Motor Vehicle Works
201	Nursing Homes (including Old People's Homes)
202	Observatories
207	Paper Mills
217	Post Office Sorting Centres
218	Potteries
221	Properties Involving Extraction of Materials For Profit
232	Recording Studios
233	Refuse Destructor Plants / Disposal Sites
244	Scrap Metal / Breakers Yard
255	Spoil Heap Workings
267	Storage Depots
268	Stores
274	Tanneries
289	Vehicle Repair Workshops and Garages
290	Vehicle Testing Centres (with Test Tracks)

292	Veterinary Clinics / Animal Clinics
297	Waste Incinerators Plants
298	Waste Recycling Plants
299	Waste Transfer Stations
302	Windmills
402	Agricultural Research Centres
418	Information / Visitor Centres
419	Land Used for Display
422	Pack Houses
424	Pet Grooming Parlours
430	Pumping Mines
441	Weighbridges
502	Garages Within / Part of Specialist Property
510	Stores Within / Part of Specialist Property
511	Warehouses Within / Part of Specialist Property
721	Self-Storage Facility
729	Renewable Generators - Mixed Technologies
733	Battery Storage
994	Industrial Miscellaneous
997	Minerals Miscellaneous

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

This has 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.

Should the suggested 40% relief entail that the allocated funding be exceeded or where any underspend is greater than 5% of the total allocation, the percentage relief may be reduced or increased to a percentage rounded down to the nearest whole number and that this decision be made once all submitted declarations have been assessed. In this regard, a further EDR will be required.

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
<p>There are 4188 hereditaments in the Rating List.</p> <p>603 properties have been identified as potentially meeting the revised qualifying criteria prescribed within the Policy (as amended by reference to allowable SCAT codes), total RV of £19,521,487 with nett rates payable after the application of other reliefs totalling £9,664,821.12</p> <p>It is exceptionally unlikely that all identified businesses will submit declarations or that all businesses that do so will meet the eligibility criteria.</p> <p>Given the foregoing, it is still recommended that relief remains at 40%.</p> <p>However, should it appear that applying a 40% reduction will lead to more relief be granted than the extent of the allocated funding received, the percentage relief applied may be reduced to a percentage rounded down to the nearest whole number to ensure the allocated funds are not exceeded.</p> <p>Conversely, where it appears that the expended funds will not be exceeded 40%, the relief may be increased to a percentage</p>	<p>Allocated Funds</p> <p style="text-align: right;">£3,568,466.00</p> <p>40% CARF relief on nett rates payable of £9,664,821.12</p> <p style="text-align: right;"><u>£3,865,928.45</u></p> <p>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</p>

Revenue	2021/22
rounded down to the nearest whole number to ensure the allocated funds fully paid but not exceed of the allocated funding.	

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 200922

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 200922

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