

Officer decision record

Officer: Rachael Mann, Director (Resources and Property)	Service: Resources and Property
<p>Delegated power being exercised</p> <ol style="list-style-type: none"> 1. In March 2021, Government announced that local authorities would be allocated a share of a new £1.5bn grant (the COVID-19 Additional Relief Fund (CARF)), to be used to support local businesses most affected by the COVID-19 pandemic, but who were not eligible for earlier business rates reliefs linked to COVID-19. 2. In December 2021, the Department for Levelling Up, Housing and Communities confirmed that West Suffolk Council's allocation would be £4,050,420. This funding would be used to provide relief to businesses (it is important to note it is a relief and not a grant). 3. The purpose of the COVID-19 Additional Relief Fund (CARF) is to support businesses whose circumstances were changed due to COVID-19 in the financial year 2021 to 2022 in such a way as to affect the valuation of the premises, and to lead to the potential for a business rates appeal. In order to avoid destabilising the business rates system for many years through a large number of such appeals, the Government has instead passed legislation to prevent COVID-19 from being considered as a material change of circumstances for rating purposes (The Rating (Coronavirus) and Directors Disqualification (Dissolved Companies) Act 2021) and put in place a funding scheme to compensate affected businesses. 4. Local authorities can determine how much relief to provide to businesses from the CARF funding provided, and exactly which businesses to target. 5. Delegation has been given to the Director for Resources and Property to implement in full any changes to business rates, Council Tax or grants in response to COVID-19 as long as they are fully funded by Government. 6. This power is being exercised in order to update a CARF local scheme through which reliefs will be allocated to businesses. 	
Subject of decision	An updated decision on the COVID-19 Additional Relief Fund reliefs for West Suffolk businesses, following funding from Government and the outcome of two previous rounds of applications from

	businesses, plus an automatic round of reliefs being applied to all eligible accounts.
Decision taken (specify precise details)	<p>To distribute the remaining CARF funding to businesses who previously applied through earlier application rounds. A sum of £1,419,897.53 remains to be distributed.</p> <p>West Suffolk Council has now awarded reliefs to a large number of local businesses through:</p> <ol style="list-style-type: none"> 1) the automatic granting of a basic rate of relief to all eligible businesses on the ratings list (1 x the percentage reduction in Gross Value Added (GVA) that their business sector experienced – see explanation below) 2) two application rounds (where applicants received a higher amount of relief) (4 x the percentage reduction in GVA that their business sector experienced) <p>Decisions on the above approach were taken by the Director for Resources and Property on 21 February 2022 and 27 May 2022.</p> <p>The remaining CARF funding will now be evenly distributed between the businesses who previously applied, proportionate to the estimated impact on their business sector (around 5.5x the percentage reduction in GVA that their business sector experienced).</p> <p>Reliefs are limited to 100 per cent of the business rates charge for 2021-22.</p> <p>The GVA impact figures are explained in Government guidance:</p> <p>CARF Guidance.docx (publishing.service.gov.uk)</p>
Reasons for the decision (specify all reasons for taking the decision including, where necessary, reference to council policy)	<ul style="list-style-type: none"> • Councils are required to develop local schemes against which to distribute CARF funding. • The funding is critical to supporting businesses severely impacted during 2021-22 who were not eligible for other reliefs

	<ul style="list-style-type: none"> • The decision was within the delegation given to the Director for Resources and Property • The outcome of the previous decisions on the allocation of CARF funding has been that some funding still remains. This has given rise to the need for an updated approach to ensure the funding reaches those businesses most affected by COVID-19 • The decision set out above have arisen from an options appraisal that sought to identify the option that would: reach the most impacted businesses; not result in high administration costs; would not attract challenge and criticism over how reliefs were calculated; and would ensure reliefs could be applied quickly.
<p>Alternative options considered (if appropriate)</p>	<p>Other options considered included:</p> <ul style="list-style-type: none"> - Paying a smaller amount of funding to all eligible businesses on the rating list - Reopening a further application round <p>Following an options appraisal, these options were dismissed on the grounds of their negative implications for speed of payment, fairness, presentational risk or administrative burden</p>
<p>Background/reports/information considered and attached (legal, personnel, financial implications and so on)</p>	<p>Government guidance to local authorities on the COVID-19 Additional Restrictions Fund:</p> <p>CARF Guidance.docx (publishing.service.gov.uk)</p> <p>Previous decision on allocation of CARF - February 2022 Issue details - COVID-19 Additional Restrictions Fund Reliefs for West Suffolk Businesses</p> <p>Previous decision on allocation of CARF - May 2022 Issue details - COVID-19 Additional Restrictions Fund Reliefs for West Suffolk Businesses: Updated Decision</p>
<p>Parties consulted before the decision has been taken</p>	<p>Resources and Property Portfolio Holder. Growth Portfolio Holder. Cabinet members informed.</p>

Conflicts of interest declared by executive members consulted, including whether the Chief Executive has authorised councillors with conflicts to continue to act	None
Decision	To make available funding to businesses based on the scheme criteria
Signature and date	