
EXECUTIVE MEMBER FOR ENVIRONMENT, FINANCE AND GOVERNANCE

A meeting of the Executive Member for Environment, Finance and Governance was held on Thursday 13 January 2022.

PRESENT: Councillors B Cooper (Chair),

**PRESENT BY
INVITATION:**

**ALSO IN
ATTENDANCE:** E Craigie (Gazette)

OFFICERS: S Blood and J Savage

**APOLOGIES FOR
ABSENCE:**

21/1 **COVID-19 BUSINESS FINANCIAL SUPPORT - COVID ADDITIONAL RELIEF FUND
(CARF) AND OMICRON HOSPITALITY AND LEISURE FUND**

The Director of Finance submitted a report, the purpose of which was to seek approval for the proposed terms of the Council's policy required to allow central government CARF funding to be applied to reduce local business ratepayer bills for 2021-2022 and note the additional support provided through the Omicron Hospitality and Leisure Grant Scheme.

The report required approval as the Council needed to adopt a scheme to grant Covid-19 Additional Relief under section 47 of the Local Government Finance Act 1988, as amended.

The Omicron Hospitality and Leisure Grant scheme was an instruction from Central Government and whilst the scheme does not require member approval was requested that the Executive Member note the additional support that can be provided to some Middlesbrough businesses.

Covid-19 Additional Relief Fund

On 25 March 2021 the Government announced a new COVID-19 Additional Relief Fund (CARF) of £1.5billion to support business ratepayers adversely affected by the pandemic. Due to legislative delays Local Authorities were only notified on 15 December 2021. Middlesbrough's confirmed allocation is £2,753,444. The report provided information on the scheme. The scheme was attached to the report as an appendix.

Omicron Hospitality and Leisure Grant

On 21 December 2021, Government announced the introduction of grant support for hospitality and leisure businesses in England, in recognition that the rise of the Omicron variant means that some businesses are likely

to struggle over the coming weeks.

This support would take the form of a one-off grant to be paid to local authorities from January 2022, and can be used in Financial Year 21/22 only. Middlesbrough's allocation was yet to be confirmed.

The Government was asking local authorities to administer the financial support to local businesses in the form of one-off grants of up to £6,000. The scheme will close for applications on 28 February 2022 and all final payments must be made and dispersed to recipients by 31 March 2022.

An online application process will be made available on the Council website to invite applications from eligible businesses. The grant will be promoted as appropriate through a range of relevant platforms including the Council's social media channels, website, press and business networks.

OPTIONS

Other potential decisions and why these have not been recommended

1. An alternative CARF option would be to exclude publicly-funded bodies completely from the relief, however these bodies have been included in the scope of the Government guidance because they have also been affected by the pandemic, and excluding them would disproportionately advantage other ratepayers who would then benefit from a greater share of the relief available. It remains open to public bodies to decline the relief, should they consider they have not been sufficiently affected by Covid-19 or they have been able to adequately adapt.
2. A further alternative CARF option is to exclude those ratepayers whose liability has ended or have ceased occupation, however again this cohort are included in the government scope for being affected by the pandemic and the financial effect from their continuing inclusion is minimal in terms of the individual shares.
3. For the Omicron Hospitality and Leisure Grant Scheme, Central Government are providing funding to all Councils with an expectation that this funding will be distributed in line with government guidance and on that basis no other options have been considered.

ORDERED

- That the policy which is designed to reduce Business Rates liabilities to the extent permitted by Covid-19 Additional Relief Fund (CARF) funding provided by central government be approved.
- That delegated authority be provided to the Section 151 Officer to agree any future modifications to the Covid 19 Additional Relief Fund policy.
- That the Executive member notes the Omicron Hospitality and Leisure Grant Scheme in response to the business support announcement by

Central Government on 21 December 2021.

REASONS

The decisions were supported by the following reasons:

1. The short interval between announcement of the two schemes by government and the passing of legislation means that administration-heavy options available to the Council are limited, because the COVID-19 Business Financial Support – Covid Additional Relief Fund needs to be applied against rates liabilities for the current billing year and the grants must be paid by 31 March 2022. The proposed policy allows for a logical and efficient approach to the distribution of the available funds, so that the relief and grants are administered before billing commences for 2022-23 business rates that is undertaken in early March.
2. Delegating authority as set out will also ensure that the exercise can be completed in a timely manner, to best effect for ratepayers, without the need for a further decision by Executive.

The decision will come into force with immediate effect and is not subject to scrutiny call-in procedures.