

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

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meeting date: 21 JUNE 2022  
title: COVID 19 ADDITIONAL RELIEF FUND - UPDATE  
submitted by: DIRECTOR OF RESOURCES  
principal author: MARK EDMONDSON, HEAD OF REVENUES AND BENEFITS

### 1. PURPOSE

- 1.1. To update Committee about the Covid 19 Additional Relief Fund (CARF) that was announced by the Chancellor on 21 December 2021.
- 1.2. To decide on the next steps regarding granting relief to eligible applicants and determining what to do with the remaining funding.

### 2. BACKGROUND

- 2.1. Liability for Business Rates is based upon the rateable value of the property. Rateable Values are set by the Valuation Office Agency (VOA) and appear in the Business Rates Valuation List.
- 2.2. Rateable Values are updated at revaluations – the most recent being 2017 when they were based on the rental market on 1 April 2015. The next revaluation is planned for 1 April 2023 with a valuation date of 1 April 2021.
- 2.3. The revaluations ensure that rateable values reflect changes in economic factors, market conditions or changes in the general level of rents.
- 2.4. Between revaluations rateable values can only be changed to reflect ‘material changes of circumstances’ including, for example, physical changes to the property or locality.
- 2.5. Since the start of the pandemic the VOA have received many checks arguing that interventions concerning the use of property (such as requirements to close businesses or maintain social distancing to comply with health and safety legislation) are a material change of circumstances. If successful, there would be a major impact on the level of rateable values across a wide range of properties.
- 2.6. The Government did not believe that the challenges to rateable values and the removal of properties from the rating list was the right mechanism to help businesses that needed support in the pandemic. On 25 March 2021 the Government announced that they would introduce primary legislation with retrospective effect to clarify that Coronavirus and the Government’s response to it are not an appropriate use of the material change of circumstances provision.
- 2.7. The Government introduced the Rating (Coronavirus) and Directors Disqualification (Dissolved Companies) Bill to give effect to their position and it received Royal assent on 15 December 2021.
- 2.8. On 25 March 2021 the Government announced a new Covid 19 Additional Relief Fund (CARF) of £1.5 billion. The fund is intended to be available to support businesses 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.

2.9. On 15 December 2021 the Government issued guidance to local authorities detailing how the scheme should operate and how much each authority has been allocated. Ribble Valley Borough Council's allocation totals £1,239,191.

### 3. ISSUES

3.1. The guidance states that billing authorities are responsible for designing a discretionary relief scheme in their area, however they must not award relief to ratepayers who have received Expanded Retail Discount or Nursery Discount, are liable for unoccupied properties (except where they are temporarily closed due to Government advice on Covid 19) and should direct support towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to the impact.

3.2. The relief will be granted using powers contained in Section 47(8A) of the Local Government Finance Act 1988 which prevents awards to certain precepting authorities and prevents awards being made more than 6 months after the financial year that they relate to i.e., awards cannot now be made in respect of 2020/21.

3.3. It is for local authorities to determine how much relief shall be awarded to each eligible business subject to subsidy control rules detailed in the guidance.

3.4. The funding is limited to the allocation referred to at 2.9.

3.5. This committee agreed to open an initial application window for eligible businesses to apply for CARF which closed on 28 February 2022.

3.6. We received 33 applications, 5 of which were rejected as the ratepayer was not eligible as they already received full Small Business Rates Relief or the Expanded Retail Discount. Relief was awarded totalling £161,043.68.

3.7. A second application window was opened and all potentially eligible businesses were invited to apply. A further 17 applications have been received, three of which have been rejected as the ratepayer was not eligible as they already received full Small Business Rate Relief or was a duplication application. (Appendix 1)

3.8. The number of applications has been very disappointing, but each eligible business has been contacted on several occasions and invited to apply. A key requirement of the Government is that the business has been adversely affected by the pandemic and this may have an impact on the number of applications received.

### 4. SUGGESTED APPROACH

4.1. Awarding each of the applicants relief at an initial rate of 50% of the net rates payable for 2021/22 as we did for the first tranche of applications, will result in a total of £42,670.39 of CARF being granted.

4.2. A third application window could be opened with the view to bringing a final report to this committee on 13 September 2022 to determine how to allocate the balance of funding.

5. RECOMMENDED THAT COMMITTEE

5.1. Agree to award CARF at the initial rate of 50% of the net rates payable for 2021/22 to the eligible applicants detailed in Appendix 1.

5.2. Agree to open another application round.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF29-22/ME/AC

9 June 2022

## Appendix 1

<b>Name of Business</b>	<b>Address</b>	<b>Nature of Business</b>	<b>RV</b>	<b>Rates Payable</b>	<b>50%</b>
Clitheroe Light Engineering Co Ltd	Unit A-D, Up Brooks, Clitheroe	Precision engineering	65,550	£33,536.00	£16,768.00
RV Pure Clean Ltd	Unit 46, Twin Brook Business Park, Clitheroe	Commercial laundry hospitality	12,000	£3,477.96	£1,738.98
Squashgoblin Ltd	Suite 1 Gisburn Business Park, Gisburn	Online and shows retailer	12,250	£509.40	£254.70
Driscolls Antiques Ltd	Unit 6 Deanfield Drive, Clitheroe	Restoration and sales of antique furniture	13,250	£2,754.90	£1,377.45
Hills Fine Food Limited	Unit B1, Shay Lane, Longridge	Foods to hospitality	1,550	£773.45	£386.73
Little Town Dairy Ltd	Chipping Road, Thornley	Dairy manufacture	26,500	£13,223.50	£6,611.75
Bowland Ecology Limited	2nd Floor, Unit 4 Holmes Mill, Clitheroe	Ecological Consultancy	1,050	£381.84	£190.92
H M Sowerbutts and Co Ltd	St John's Ambulance Hall, Church Brow, Clitheroe	Store for furniture retailer	3,150	£1,571.85	£755.93
Cheeky Monkey Co Ltd T/A Melt	Upper Open Barn, Back Ridge Farm Bashall Eaves	Manufacture candles etc	6,600	£3,293.40	£1,646.70
Primesight Limited	Adj Petrol Station, Whalley Road, Billington	Advertising right	900	£449.10	£224.55
Primesight Limited	Adj Roundabout Filling Station, Chatburn Road, Clitheroe	Advertising right	900	£449.10	£224.55
Monks Contractors Ltd	Myerscough Smithy Road, Mellor	Environmental and ecological services	23,000	£11,477.00	£5,738.50
The Grand at Clitheroe Ltd	Car park, Back York Street, Clitheroe	Car park separately rated	11,250	£1,152.00	£576.00
Forrest Joinery and Construction Contracts Ltd	Unit 1-4and 608 Ramsgreave Works, Blackburn	Joinery manufacture	24,750	£12,350.25	£6,175.13
			202,700	£85,399.75	£42,670.39