

Decisions taken by the Lead Member for Finance and Support Services Briefing on Thursday, 25 August 2022

Agenda Item No	Topic	Decision
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Part A – Items considered in public

A4	Covid-19 Additional Relief Fund Scheme.	<p style="text-align: center;">SALFORD CITY COUNCIL - RECORD OF DECISION</p> <p>I, Councillor Hinds, Lead Member for Finance and Support Services, in exercise of the powers contained within the Council Constitution do hereby:</p> <ul style="list-style-type: none"> ▪ Note the progress made to date awarding COVID-19 Additional Relief under Scheme 1 and 2 using Local Authority discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) ▪ Approve the arrangements for Scheme 3 to remove the Rateable Value Cap for the award of Covid-19 Additional relief with effect from 2.9.22 ▪ Approve the recommendation to automatically allocate any remaining funding at scheme end 23.9.22 to approved applications <p>The Reasons are:</p> <p>On 25 March 2021, the government announced a new COVID-19 Additional relief Fund (CARF) of £1.5 billion. The fund was available to support those businesses affected by the pandemic but that are ineligible for existing support linked to business rates. The relief is available to reduce Business Rates chargeable amounts in respect of 2021/22.</p> <p>On 15.12.21 the Department for Levelling Up Housing & Communities released the guidance for Local Authorities to administer COVID-19 Additional relief Fund (CARF) and published details of the Local Authorities funding allocation. Salford City Council allocation is £7,957,365.</p> <p>As this is a measure for 2021/22 only, the government have not changed the legislation relating to the reliefs available to properties. It is for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to the guidance, to grant relief under section 47 of</p>
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		<p>the Local Government Finance Act 1988 (as amended), to grant relief.</p> <p>The government will fully reimburse local authorities for the local share of the discretionary relief, using a grant under section 31 of the Local Government Act 2003.</p> <p>This report sets out the current arrangements in place under Salford City Council Scheme 2 for the award of COVID-19 Additional Relief and take up data. The proposal for continuing with support under a revised Scheme 3 to remove the Rateable Value Cap. The recommendation to increase the overall % applied for the period (June 2021 – March 2022) on all current applications received to distribute any remaining funding before the 30 September 2022 deadline.</p> <p>Options considered and rejected were:</p> <p>The maximum Rateable Value has been changed to assess the impact on the funding allocation received. Consideration has been given to auto award relief to all eligible businesses however as this relief is subject to subsidy control measures this has been rejected. Increase the % relief awarded; initial analysis indicated this was not feasible within the funding allocation. This option will be reconsidered if on the 23 September 2022 there is still funding remaining, we propose to increase the overall % applied for the 9-month period (June 2021 – March 2022) on all current applications received to distribute as much of the fund available within Salford before the 30 September 2022 deadline.</p> <p>Assessment of Risk: Please refer to Legal and Financial Implications.</p> <p>The source of funding is: Covid-19 Additional Relief Fund (CARF) 2021/22.</p> <p>Legal Advice obtained: Nicky Smith, Senior Solicitor –</p> <p>As with the previous versions of the Scheme, it is important that the administration of the Scheme by the Authority complies with the requirements of the Government Guidance, not least in order that Central</p>

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		<p>The appropriate scrutiny panel to call-in the decision is the Overview and Scrutiny Board.</p> <p>Signed: Councillor Bill Hinds Lead Member for Finance and Support Services Dated: 25 August 2022</p> <hr/> <p>This decision was published on Thursday 25 August 2022</p> <p>This decision will come into force at 4.00 p.m. on Friday 2 September 2022 unless it is called-in in accordance with the decision-making process rules.</p>
A4	Business Rates Heat Network Relief.	<p align="center"><u>Salford City Council - Record of Decision</u></p> <p>I, Councillor Hinds, Lead Member for Finance and Support Services, in exercise of the powers contained within the Council Constitution, do hereby approve:</p> <p>The arrangements to administer the Heat Network Relief using Local Authority discretionary relief powers under section 47 of the Local Government Finance Act 1988, (as amended).</p> <p>The Reasons are: In the final report of the Business Rates Review published October 2021 the government announced a 100% relief effective from 1 April 2023 for eligible low-carbon heat networks that have their own business rates bill.</p>

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		<p>At the Spring Statement 2022, the Chancellor announced that the heat network relief will apply from 1 April 2022.</p> <p>As this is a measure for 2022/23 it is for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to government guidance, to grant relief under section 47 of the Local Government Finance Act 1988, (as amended).</p> <p>From 1 April 2023 the government intends for the relief to be provided via legislation for a mandatory heat network relief.</p> <p>Options considered and rejected were: It is for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to government guidance, to grant relief under section 47. The government will fully reimburse local authorities for the local share of the discretionary relief, using a grant under section 31 of the Local Government Act 2003.</p> <p>Assessment of Risk: Failure to support Businesses and issue an inaccurate 2022/2023 bill to eligible businesses</p> <p>The source of funding is: The government will fully reimburse local authorities for the local share of the discretionary relief, using a grant under section 31 of the Local Government Act 2003.</p> <p>Legal Advice obtained: Nicky Smith, Senior Solicitor</p> <p>The report explains how the Heat Network Relief scheme will be administered in accordance with Government guidance. It should be noted that in the event of a change in circumstances which may render a property ineligible for the relief during the year the relevant rates bill can be amended. The guidance suggests, therefore, that when making an award, authorities should ensure that the conditions of the award make it clear that the relief is subject to the property's continuing eligibility.</p>

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		<p>Financial advice obtained: David Eden, Finance Manager</p> <p>The awarding of this relief will reduce the gross liability and thus the collection fund's income for 2022/23. However, the government will fully reimburse local authorities for their share of the discretionary relief through section 31 grant based on outturn data submitted in the National Non-Domestic Rates 3 (NNDR 3) return for 2022/23.</p> <p>Therefore, if all the requirements in the guidance for the awarding of the relief are followed, there should be an overall neutral financial impact on the council.</p> <p>Procurement Advice obtained: NA</p> <p>HR Advice obtained: NA</p> <p>Climate Change Advice obtained: Michael Hemingway Principal Officer Climate change</p> <p>This initiative is to be welcomed in encouraging the implementation of heat networks across Salford. Heat networks are an important element of our transition to Net Zero. They connect multiple heat users to provide reliable and lower carbon heat. Their efficiency and carbon-saving potential increases as they grow and connect to each other.</p> <p>Heat networks can provide both heating and cooling, responding to the growing risk of overheating, and increased cooling demands required by buildings. This will become more important as climate change makes extreme heat events more likely.</p> <p>The following documents have been used to assist the decision process:</p>

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		<p>Government Guidance Business rates heat network relief: local authority guidance - GOV.UK</p> <p>Contact Officer: Jane Betts, Service Manager - Business Rates Tel. 0161 793 2710</p> <p>This decision is not subject to consideration by another Lead Member.</p> <p>The appropriate scrutiny panel to call-in the decision is the Overview and Scrutiny Board.</p> <p>Signed: Councillor Bill Hinds Lead Member for Finance and Support Services Dated: 25 August 2022</p> <hr/> <p>This decision was published on Thursday 25 August 2022</p> <p>This decision will come into force at 4.00 p.m. on Friday 2 September 2022 unless it is called-in in accordance with the decision-making process rules.</p>
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