

<b>Committee(s):</b> Finance Committee Policy and Resources Committee Court of Common Council	<b>Date(s):</b> 5 November 2020 19 November 2020 Urgency
<b>Subject:</b> Update to the Code of Corporate Governance concerning delegation of write off limits and discretionary business rate relief.	<b>Public</b>
<b>Report of:</b> Chamberlain	<b>For Decision</b>
<b>Report author:</b> Phil Black – Head of Revenues	

### Summary

As part of the response to the Covid-19 pandemic the Policy and Resources Committee agreed some amendments to the scheme of delegation to officers. These temporary measures expired on 31<sup>st</sup> October 2020.

This report requests that the revised levels of delegation for write offs and the delegation of decisions for discretionary business rate relief are continued until they can be updated within the Code of Corporate Governance.

The report also requests that the Head of Revenues is given delegated authority to determine and award the grants for the Government business rate grant schemes. These grants are being delivered to support businesses through the pandemic.

### Recommendations

Members are asked to:

- Approve the amendments to the following changes to the Scheme of Delegations to Officers:
- To increase the limits to write off all debts due to the City of London Corporation which are irrecoverable up to £100,000 (Head of Revenues) and up to £500,000 (Chamberlain) with any amount in excess of £500,000 to be submitted to Finance Committee for approval. Finance Committee to receive a report for information on any write-offs over £25,000.
- To authorise the granting of discretionary rate relief under section 47 and section 49 of the Local Government Finance Act 1988 up to £25,000 per annum.
- To delegate authority to the Head of Revenues to determine and award all business grant payments under the government support schemes.

## **Main Report**

### **Background**

1. Current Standing Order no 52 delegated authority to write off debts which are irrecoverable up to £5,000 and to write off all non-domestic rates debts up to £5,000 and council tax debts up to £1,000.
2. Finance Committee agreed on 13<sup>th</sup> November 2018 to update the standing orders and delegate authority to write off all debt types to £20,000 to the Head of Revenues.
3. As part the City response to the Pandemic these limits were increased to £100,000 for the Head of Revenues and £500,000 for the Chamberlain. Debts over £500,000 still require approval by Finance Committee. These arrangements expired on 31<sup>st</sup> October 2020.
4. The limits of delegation were increased for the Head of Revenues from £5,000 to £25,000 for awards of discretionary rate relief made under section 47 and 49 of the LGFA 1988. This was also a temporary measure which expired on 31<sup>st</sup> October 2020.
5. Over the course of the pandemic the Head of Revenues has determined eligibility and awarded the business support grants of up to £25,000 per property. The request to delegate these decisions is included within this report to ensure the Head of Revenues has the correct authorisation to make these payments.

### **Current Position**

6. The temporary write-off and discretionary relief measures expired on 31<sup>st</sup> October 2020 but the reasons for the increase continue with many businesses and individuals likely to suffer financially as a result of the pandemic.
7. It is expected that there will be an increase in both write off requests and discretionary rate relief requests. By increasing the delegation limits it will allow a more efficient and streamlined process.
8. A new grant scheme has been announced by Government which involves regular grant payments to businesses that have been forced to close by the pandemic. As these are new schemes there had been no previous requirement for delegation.

### **Proposals**

9. It is proposed that the increase in the levels of authority to write off -debt and to award discretionary rate relief should be extended and then made permanent at the next review of the Code of Governance.
10. It is also proposed to delegate authority for the payment of business support grants to the Head of Revenues.

## **Conclusion**

11. This report sets out a proposed extension to amendments to the Scheme of Delegation to streamline decision-making within the City of London Corporation with specific reference to Write Off levels and discretionary rate relief. It is also delegates authority to the Head of Revenues to determine eligibility and make award of the business support grants.

## **Appendices**

- None

## **Background Papers**

Temporary Amendments to Code of Corporate Governance in response to COVID-19/Coronavirus

Phil Black  
Head of Revenues  
Chamberlains Department

T: 020 7332 1348

E: [phil.black@cityoflondon.gov.uk](mailto:phil.black@cityoflondon.gov.uk)