



North West Leicestershire District Council

Covid-19 Additional Relief Fund (CARF) Policy 2021/22

1. Introduction

- 1.1. On 25 March 2021, the Government announced plans to provide an additional business rates support package, worth £1.5 billion nationwide, to support businesses in England affected by COVID-19 but not eligible for existing support linked to business rates. North West Leicestershire District Council received an allocation of £3,704,521 in funding.
- 1.2. The Rating (Coronavirus) and Directors Disqualification (Dissolved Companies) Act 2021 received royal assent recently, which provided the legislation for the introduction of Covid-19 Additional Relief Fund (CARF). The Department for Levelling Up, Housing and Communities (DLUHC) issued guidance for the scheme on the 15 December 2021 and payments of the funding allocations were made to Local Authorities at the end of March 2022.
- 1.3. As this is a temporary relief fund for 2021/22, the Government is not changing legislation relating to Business Rates relief available to properties. Instead, the Government will, in line with the eligibility criteria, reimburse Local Authorities where relief is granted using discretionary powers under Section 47 of the Local Government Finance Act 1998.
- 1.4. Although the Government has set national criteria, it recognises that economic need will vary across the country, so wants Local Authorities to exercise their local knowledge and discretion to design a local scheme to operate in its area.
- 1.5. North West Leicestershire District Council will adopt the scheme as set out in this policy document.

2. Scope and eligibility

- 2.1. The Government guidance provides the Council discretion over the relief scheme, and the Council's decisions regarding the scheme will be final.
- 2.2. Full details of the Government guidance can be found at:

<https://www.gov.uk/government/publications/covid-19-additional-relief-fund-carf-local-authority-guidance>

- 2.3. To be eligible to apply for relief under this main scheme you must be a ratepayer liable and occupying a hereditament for business rates in the boundary of North West Leicestershire District Council during the financial year 2021/22 (for a period of a day or more).
- 2.4. You must also be able to demonstrate that you have been adversely affected by the pandemic (in a way that prevents success and development; harmfully or unfavourably) and have been unable to adequately adapt to that impact.
- 2.5. A ratepayer must not be a business which does not directly employ anyone in respect of the rateable property, for example advertising boards, ATM, telephone masts and unmanned carparks/car spaces. A full list of exempt classifications can be found in appendix 1 of this policy.
- 2.6. The Council also considers that in order to be able to demonstrate that a ratepayer has been adversely affected by the pandemic, it will be necessary for the business to show that it has traded continuously from either the current rateable property or continuously from different properties since before the first lockdown of 23 March 2020.

3. Exclusions

- 3.1. The Government set out a range of categories of businesses that are excluded from receiving CARF funding.
 - a) Businesses/ratepayer who for the same period of the relief are or would have been eligible for the Extended Retail Discount (covering Retail, Hospitality and Leisure), the Nursery Discount or the Airport and Ground Operations Support Scheme (AGOSS)
 - b) Businesses/ratepayer for periods when their hereditament is unoccupied (other than hereditaments which have become unoccupied temporarily due to the government's advice on COVID-19)
 - c) In line with the legal restrictions in section 47(8A) of the Local Government Finance Act 1988, billing authorities may not grant the discount to themselves, to a precepting authority, or to a functional body within the meaning of the Greater London Authority Act 1999
 - d) Businesses/ratepayer outside the North West Leicestershire District Council boundary
 - e) Businesses/ratepayer that have exceeded the Government subsidy limits
 - f) Businesses/ratepayer in administration, liquidation, dissolved, struck off or subject to a striking off notice at the date of award are not eligible for the discretionary CARF scheme

- g) A business/ratepayer that has entered a Company Voluntary Arrangement (CVA) or Individual Voluntary Arrangement (IVA) during 2020/21 or 2021/22.
- h) Must not be a public organisation, including government departments, legislative bodies, local government (or local government owned companies), NHS (NHS and Foundation Trusts, practitioners who provide services under contract to the NHS), maintained schools, academy schools and further or higher education, fire and rescue, police, or ambulance service.
- i) A full list of excluded hereditaments types can be found in appendix A.
- j) Businesses that occupy premises that are not contained in the Business Rate rating list.

4. Evidence Required

- 4.1. To be considered for this relief, the Council will require businesses to provide a statement and any supporting evidence demonstrating how the business has been adversely affected by the pandemic and that they have been unable to adapt adequately to the impact.
- 4.2. Since the CARF is a financial relief scheme, the Council has determined that the test applied will relate to an adverse financial effect.
- 4.3. The impact will be assessed from the change in turnover from 2019/20 to 2020/21, the figures for which will need to be provided via the application form and validated by an accountant's confirmation or audited accounts filed at Companies House.
- 4.4. If businesses are unable to provide satisfactory evidence, your application will not be considered.

5. Application Process

- 5.1. The electronic form, one per hereditament, will be required to be completed, which will include a self-assessment declaration along with all the required evidence.
- 5.2. No paper applications will be made available or considered.
- 5.3. The application window will open 01/08/2022 and close midnight on 31/08/2022. This will be followed by an assessment period that will be completed as soon as practically possible.

- 5.4. As a condition of relief being awarded, businesses will need to sign a declaration stating that: they are eligible for the relief scheme; have been adversely affected by the pandemic and that they have been unable to adapt adequately; the information provided on their application form is true and accurate; they are fully compliant with the subsidy allowance limits; as well as giving the Council the permission to share data to check such compliance and that the other scheme conditions are complied with.

6. Application evidence

- 6.1. Applicants will need to provide:

- a) Business rates reference number
- b) Unique identifier, such as company registration number
- c) Declaration of turnover figures for 2019/20 and 2020/21 from your accountant (or equivalent) confirming these and/or copies of audited accounts filed at Companies House. Estimated figures for 2020/21 can be stated if the actual figure is not available at the time of the application.
- d) Confirmation of Subsidy Allowance compliance and details (type and amount) of any subsidy received.
- e) Declaration that the businesses/ratepayer is not in administration, liquidation, dissolved, struck off or subject to a striking off notice at the date of award.
- f) Declaration that the business/ratepayer has not entered a Company Voluntary Arrangement (CVA) or Individual Voluntary Arrangement (IVA) during 2020/21 or 2021/22.

7. Amount of Relief

- 7.1. The amount of relief awarded will be 14.2% of the 2021/22 charge after all other eligible reliefs have been considered/applied to the account. This is subject to a maximum award per hereditament of £20,000.
- 7.2. All awards of relief will be by a credit against the Business Rates bill. No cash payments will be made. If a business has paid its rates and subsequently gone into credit, due to the awarding of relief, the credit will be allocated to the 2022/23 business rates.

- 7.3. The Council reserves the right to close or vary the terms of the policy at any time, and without notice, should it be necessary to do so (for instance if the schemes are fully subscribed).
- 7.4. If after processing all applications and awards, there is funding remaining the Council will increase the percentage relief awarded (capped at a maximum 100%) for those properties which have been successful to ensure the government funding is allocated (retaining the £20,000 maximum payment).
- 7.5. Valuation Office Agency changes to the rateable value of a premises made after the award of CARF will be disregarded for the purposes of this award.

8. Subsidy Control

- 8.1. There is a requirement for all relief made under this policy to comply with Subsidy Allowance guidelines. Further Government guidance is available at:

[Guidance on the UK's international subsidy control commitments - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/uk-international-subsidy-control-commitments)

The BEIS guidance for public authorities explains the subsidies chapter of the UK-EU Trade and Cooperation Agreement (TCA), World Trade Organisation rules on subsidies, and other international subsidy control commitments

9. Duration of awards

- 9.1. The award of the relief will be made for a one-off fixed period ending on 31 March 2022.

10. Managing the risk of fraud

- 10.1. Neither the Council, nor the Government will accept deliberate manipulation of the scheme of fraud. Any application caught falsifying information to gain relief will face prosecution and any funding will be recovered from them through appropriate measures the Council sees fit.
- 10.2. All information is subject to internal and external audit check, as well as Government body check.

11. Data Protection and use of data

- 11.1. All information and data provided by application shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available to view on the Council's website.

12. Right of appeal

- 12.1. There is no statutory right of appeal against a decision made by the Council in respect of discretionary Covid-19 Additional Relief Fund (CARF) policy. However, the Council will in keeping with good practice review the decision if the ratepayer is dissatisfied with the outcome, only if sufficient funding is available under this scheme. This review will be carried out independently by the Strategic Director for Housing and Corporate in consultation with the Council's Section 151 Officer.
- 12.2. If an unsuccessful applicant decides to request a review, they will still need to continue to pay their rates bill. Once the review has been conducted, the ratepayer will be informed in writing whether the original decision has been revised or upheld. Notification of the decision will be made within 28 days, or as soon as reasonably practicable.
- 12.3. The right of appeal process does not affect a ratepayer's legal right to challenge the decision by way of a judicial review.

Appendix A

Appendix A provides a full list of excluded hereditaments. These are hereditaments that a ratepayer does not directly employ anyone in respect of the rateable property and/or hereditaments that the Councils CARF policy does not support. List of classifications:

ADVERTISING RIGHT AND PREMISES

BANK AND PREMISES

BUILDERS SITE COMPOUND

Bureau de Change

Car Parking Space and Premises

CHIRPRACTORS SURGERY

COMMUNICATION STATION AND PREMISES

Contractors Huts & Premises

CONTRACTORS HUTS AND COMPOUND

CONTRACTORS SITE OFFICES

DENTAL SURGERY & PREMISES

DENTIST PRACTICE

ELECTRICITY GENERATING PLANT AND PREMISES

FLIGHT SIMULATOR BLOCK AND PREMISES

GARAGE AND PREMISES

HANGAR AND PREMISES

HEALTH CENTRE AND PREMISES

Independent Distribution Network Operator

Independent Gas Transporter

Land Used for Storage, Offices and Premises

LAND USED FOR WASTE COMPOSTING

Lorry Park and Premises

OIL STORAGE DEPOT AND PREMISES

PHOTOVOLTAIC INSTALLATION AND PREMISES

QUARRY AND PREMISES

Rail Freight Terminal and Premises

RAIL FREIGHT TERMINAL & PREMISES

ROAD HAULAGE DEPOT, OFFICE AND PREMISES

SCRAPYARD AND PREMISES

Showhome & Sales Office & Premises

Showhouse & Premises

SITE COMPOUND & PREMISES

SITE COMPOUND AND HUTS

SITE HUT AND PREMISES

STORAGE DEPOT AND PREMISES

Tipping Site and Premises

WASTE TRANSFER STATION AND PREMISES

WEATHER STATION



WIND TURBINE AND PREMISES