

# **Ipswich Borough 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, to support businesses in England affected by COVID-19 but not eligible for existing support linked to business rates. Ipswich Borough Council has received £3,598,057 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<sup>th</sup> December 2021
- 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 have set some 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 discretionary scheme to operate in its area
- 1.5 Ipswich Borough Council will adopt the scheme as set out in this document.

### **2. Scope and eligibility**

- 2.1 The Government guidance gives the Council discretion over the relief scheme, and its decisions regarding the scheme will be final.
- 2.2 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 Ipswich Borough Council during the financial year 2021/22 (for a period of a day or more) where the hereditaments are rated in the following sector classifications (SIC Codes) as defined by the Valuation Office Agency rating list: -

- C - Manufacturing
- L - Real Estate Activities
- M - Professional Services
- N - Administrative Services
- P - Education
- X - J-N: Information, Communication, Financial Intermediation, Real Estate and Business Services

- Y - Transport
- Z - Storage and Distribution

- 2.3 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.
- 2.4 The Council has also set aside £228,000 of the funding to operate a limited discretionary hardship fund for businesses who are excluded from the main scheme above, due to operating in the sectors listed under criteria g in 3.1 below, but can demonstrate significant detrimental impact due to Covid-19. To access this discretionary fund, businesses will need to complete an online application form whereby you will be required to outline the impact Covid-19 has had on the business. If successful, the value of the award of relief will mirror the main scheme.
- 2.5 The Council reserves the right to vary the terms of the scheme at any time, and without notice, should it be necessary to do so.
- 2.6 It is estimated that there might be 1,100 potentially eligible ratepayers / hereditaments.

### **3. Exclusions**

- 3.1 The following categories are excluded from receiving CARF
- a. Businesses 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 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 outside the Ipswich Borough Council boundary
  - e. Businesses that have exceeded the Government subsidy limits
  - f. Businesses that occupy premises that are not contained in the Business Rate rating list
  - g. Where the hereditaments are rated in the following sector classifications (SIC Codes) and described as below, as defined by the Valuation Office Agency rating list.

- A - Agriculture, Forestry and Fishing
- B - Mining and Quarrying
- D – Energy
  - Photovoltaic Installation
  - Independent distribution network operator
- E - Water & Waste Management
  - Sewage Treatment Works
- F – Construction
  - Contractors Huts
- J - Information & Communication
  - Broadcasting studio
  - Communication station
  - Advertising right
- K - Financial Services
  - Site of electronic deliver lockers
- O - Public Administration
- Q- Health

3.2 Also excluded are hereditaments where they are described in the rating list as car parking spaces.

3.3 Businesses in liquidation, dissolved, struck off or subject to a striking off notice at the date of award are not eligible for the discretionary CARF scheme.

#### **4. Evidence Required**

4.1 To be considered for this relief, we 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 If you are unable to provide satisfactory evidence, your application will not be considered.

#### **5. Application Process**

5.1 The application form is available at <https://www.ipswich.gov.uk/coronavirus/businesses> The electronic form including the declaration must be fully completed with all the required evidence.

5.2 No paper applications will be made available.

5.3 Applications must be submitted by 14/04//2022

#### **6. Amount of Relief**

6.1 The amount of relief awarded will be 29% 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 £10,000.

- 6.2 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 can either be allocated to the 2022/23 business rates or refunded.
- 6.3 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).
- 6.4 If after processing all applications and awards, there is funding remaining the Council will increase the award for those properties with a successful award to ensure 100% of government funding is allocated (retaining the £10,000 maximum payment).
- 6.5 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.

## **7. Subsidy control**

- 7.1 There is a requirement for all relief made under this policy to comply with Subsidy Allowance guidelines. Further Government guidance is available at [Complying with the UK's international obligations on subsidy control: guidance for public authorities - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/complying-with-the-uk-s-international-obligations-on-subsidy-control-guidance-for-public-authorities)

## **8. Duration of awards**

- 8.1 The award of the relief will be made for a fixed period ending on 31st March 2022.

## **9. Managing the risk of Fraud**

- 9.1 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.
- 9.2 All information is subject to internal and external audit check, as well as Government body check.

## **10. Data Protection and use of data**

- 10.1 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.

## **11. Right of appeal**

- 11.1 There is no statutory right of appeal against a decision made by the Council in respect of discretionary retail discount. However, the Council will review the decision if the ratepayer is dissatisfied with the outcome. This review will be

carried out independently by the Assistant Director Sports and Programmes in consultation with the Council's Section 151 Officer.

- 11.2 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.
- 11.3 The right of appeal process does not affect a ratepayer's legal right to challenge the decision by way of a judicial review.