

# **BURNLEY BOROUGH COUNCIL**

## **COVID19 ADDITIONAL RELIEF FUND (CARF)**

### **GUIDELINES**

#### **Introduction**

1. This guidance is intended to businesses liable for business rates in 2021/22 only eligible for a grant from the COVID19 Additional Relief Fund (CARF), announced by the government on the 15<sup>th</sup> December 2021. Only businesses occupied and liable for business rates on the 1<sup>st</sup> April 2021 in 2021/22 are eligible to apply for the Fund.
2. The Council has access to relatively limited funds from the government for this fund, which has replaced the legal right to appeal to the Valuation Office Agency on Material Change of Circumstances grounds due to COVID. The scheme has been designed to provide as much support to affected businesses as possible.
3. This guidance sets out the criteria under which businesses will qualify to be eligible for the COVID19 Additional Relief Fund (CARF) and is aligned with the government guidance issued on 15<sup>th</sup> December 2021 and any revisions, which can be found via [this link](#).
4. The Government wants Local Authorities to exercise their local knowledge and discretion and recognise that economic need will vary across the country, so the Government are setting some national criteria for the relief but allowing Local Authorities to determine which businesses to support within these stated criteria.

#### **Which types of business should the COVID19 Additional Relief Fund prioritise?**

5. The government guidance issued on 15<sup>th</sup> December 2021 gives the above Councils discretion over the COVID Additional Relief Fund, and their decisions on the awarding of relief as part of the Fund will be final.

#### **Scope and Eligibility**

6. Billing authorities will be responsible for designing the discretionary relief schemes that are to operate in their areas. However, in developing and implementing their schemes local authorities:-
  - a. must not award relief to ratepayers who for the same period of the relief (eg for the period from the 1<sup>st</sup> April 2021 to the 31<sup>st</sup> March 2022) either 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. must not award relief to a hereditament for a period when it is unoccupied (other than hereditaments which have become unoccupied temporarily due to the government's advice on COVID-19), and
  - c. should direct their support towards ratepayers who have been adversely affected by the pandemic (in a way that prevents success or development; harmfully or unfavourably) and have been unable to adequately adapt to that impact.
- 7. 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 or to a precepting authority (eg Town Council, Parish).
  - 8. Telephone masts, storage pods and containers, cemeteries, public bodies and advertising rights will be ineligible for this relief.
  - 9. To be eligible for relief you must be a ratepayer liable and occupying the property for business rates within the geographical area covered by Burnley Borough Council during the financial year 2021/22 (for a period of a day or more) as at the 1<sup>st</sup> April 2021.
  - 10. If there is no business rates liability or other business rates relief (other than transitional relief or small business rates relief with a rateable value greater than £12k) already granted to the business during the relief period, the business will not be eligible for this relief.

### **Subsidy Allowance**

- 11. There is a requirement for all grants made under this Discretionary Grants fund to be subsidy allowance compliant. Please see further government guidance on this via [this link](#) (Section 19-29).

### **How relief will be provided**

- 12. Local Authorities will be responsible for determining COVID19 Additional Relief Fund (CARF) eligibility, selecting the successful business applicants and then administering and delivering relief to those successful applicants.
- 13. Local Authorities responsible for making relief awards of COVID19 Additional Relief Fund (CARF) to successful business applicants will be those authorities who are business rate billing authorities in England.
- 14. Local Authorities will endeavour, subject to due diligence checks, to make awards as quickly as possible to support successful business applicants, who are struggling financially.

## **How much funding will be provided to successful businesses**

15. Burnley Borough Council has access to limited funds from the government for this scheme and it is expected therefore that most relief awards will be up to 28 per cent.
16. In order for the COVID19 Additional Relief Fund (CARF) to benefit the maximum number of businesses, it is proposed to cap the amount of relief awarded to £25,000 for each business on the rating list covering the geographical area of Burnley Borough Council.
17. For example, a business owns 3 hereditaments each with a rateable value (RV) of £51,000. The amount of relief to be awarded for each hereditament would be £14,280 (28% of the RV). As the business owns 3 hereditaments the total amount of relief to be awarded would exceed the £25,000 cap per business. The business would therefore be required to complete an application form to demonstrate need.

## **Award of Relief**

18. Relief decisions will be made on a delegated basis by designated senior officers based on the approved guidelines.
19. All awards of this relief will be by a credit against the business rates bill. No cash payments will be made.
20. If a business has already paid its business rates in full for 2021/22 the refund will be used as a part payment against the 2022/23 business rates. Should the business request, a refund will be offered to that business.
21. By accepting the relief awarded through this scheme in the form of reduced business rate liability, the Council will accept this as a declaration from the business that they are not committing any fraud and that they are fully complying with any subsidy allowance limits, as well as giving the Local Authority permission to share data to check such compliance and that these guidelines are complied with.
22. As well as meeting the criteria it is the intention for the discretionary relief to support local businesses whose intention it is to continue to trade and do business in the local area after COVID19.
23. If any Government funding allocated to this scheme remains unspent the Council reserves the right to amend the percentage of award to maximise the amount of funding received from the Government.
24. The Council reserves the right to cancel any award of this relief fund if subsequent information comes to light.
25. If any court or enforcement costs have been incurred during 2021/22 by a business that will qualify for this relief it will be entirely at the discretion of the Local Authority whether these are cancelled or not.

25. The scheme will operate as a hybrid scheme – with some businesses automatically being awarded the relief and others having to apply. This will ensure that those businesses whose relief entitlement is below the cap of £25,000 will receive the relief promptly. A completed application form is required for those businesses that exceed the cap of £25,000 to ensure that they can demonstrate a need for the relief. This will ensure that relief is awarded to those businesses in need. The cap of relief to be awarded to each business was set at £25,000 to ensure affordability of the scheme to ensure that the maximum number of businesses possible can benefit from the relief.

### **Managing the risk of fraud**

26. The Council will not accept deliberate manipulation and fraud - and any business caught falsifying their records to gain relief awarded will face prosecution and any relief awarded will be subject to claw back, as may any relief awarded in error.
27. All information is subject to internal and external audit check, as well as Government body check.

### **Sharing Information**

28. By accepting a COVID19 additional relief the business gives authority to the Council to share data for efficient system administration and to protect the Public Purse, subject to the GDPR. This will include sharing data with the Council's agents and other Government Departments.
29. The Councils will be required to share data with Government Departments for monitoring and other reasons. By accepting COVID19 additional relief all recipients give authority for this.

### **Other Information**

30. The Council does not accept any liability for any issues that may arise for businesses because of receiving, or not receiving relief awards under this scheme.