

Warwick District Council

COVID-19 Additional Relief Fund (CARF)

Discretionary Relief Policy

February 2022

Contents	Page
Introduction	3
General Principles/Regulations	3
Businesses Supported	3
Policy Review	5
Equalities	5
The Right to Seek a Review	5
Notification of Review/Re-determination	5
Fraud	5

## 1. Introduction

1.1 In late December 2021 the Government, through the Department for Levelling Up, Housing and Communities introduced new regulations to support businesses entitled to Covid-19 Additional Relief Fund (otherwise known as CARF).

1.2 This fund will be available to support those businesses affected by the pandemic but that are ineligible for existing support linked to business rates. Warwick District Council has been allocated £4,264,952 to support businesses in this way.

1.3 Relief will be granted to businesses using discretionary relief powers under section 47 of the Local Government Finance Act 1988. This means that rather than providing a physical monetary payment, relief will be awarded through business rates accounts via our business rates systems. Revised bills will then be issued showing the amount of relief awarded. Central government will fully reimburse local authorities up to the maximum level of the allocations.

## 2. General Principals/Regulations

2.1 This relief is payable in the 2021-22 financial year only and cannot be carried over to 2022/23.

2.2 Businesses must have been adversely affected by the pandemic and have been unable to adequately adapt to that impact.

2.3 Businesses that have received Expanded Retail relief, Nursery Discount, Mandatory rate relief or discretionary rate relief; or those which are unoccupied in 2021-22 are ineligible for CARF. The relief cannot also be claimed in respect of properties owned or funded by the local authority.

2.4 Where a change in circumstance occurs during 2021-22 the award of relief may need to be recalculated.

2.5 Changes reported after 1st January 2022 will not be taken into account and will not be amended retrospectively after this date.

## 3. Businesses Supported

3.1 Guidance notes provided by the government to accompany the Covid Additional Relief Funding details business sectors along with the percentage positive or negative financial impact they have experienced as a result of the Covid pandemic.

3.2 This information was matched to Warwick District Council's rating list in order to identify individual businesses in each sector.

3.3 Having taken into account those businesses which the Council is instructed cannot be supported through this relief, it has been deemed those accounts in the following business sectors (as identified by the official Valuation Office Agency rating) will receive a reduction in their 2021-22 Business Rates bills:

- Wholesale
- Offices not included in other business sector categories
- Mining and quarrying
- Transport
- Manufacturing

## The Award Process

3.4 The purpose of this policy is to outline the way in which Warwick District Council will administer this discretionary relief, which will take the form of a direct award to those businesses that we identify as meeting the eligible criteria.

3.5 This policy will insist that businesses must be trading prior to 1st April 2021 to qualify for the relief. If businesses were not trading prior to this date, then it is assumed that they will have started up their business during the pandemic and so would already have been aware of the financial situation.

3.6 Reliefs will be calculated and applied manually to each account on the Business Rates computer system. Following the award of relief, a revised Business Rates Bill will be issued along with a covering letter explaining the award and instructing businesses to declare if they do not qualify as a result of the Covid subsidy rules or are not financially impacted by Covid-19. Any business contacting the council to instruct they do not qualify will have their relief removed and a revised bill will be issued accordingly.

3.7 Where relief applied to an account subsequently puts the account into credit, if possible, we will move this credit to the next financial year 2022- 23. Where a refund is formally requested by a business this will be refunded.

3.8 To calculate the amount of relief we will award we have divided the £4.2m funding available to Warwick District Council by the total liability of all accounts at the beginning of 2021/22 we are supporting, to determine the percentage relief each account would receive.

3.9 The amount of relief awarded to each eligible business will be equal to 19% of their Business Rates liability irrespective of their rateable value. By awarding 19% this will allow some of the funding being kept back for any businesses that feel they are eligible but have not been identified by the Council as such.

3.10 If having made all awards (and after addressing any potential challenges) some of the funding remains unallocated, payments will be allocated to some of those other businesses that were not initially included in the list of those we wish to support. This funding will be allocated to those businesses evidencing the biggest negative financial impact.

#### 4. Policy Review

4.1 This is a one-off policy which will only be required for the 2021-22 financial year and as such will not require further review outside of this financial year.

#### 5. Equalities

5.1 This policy has been produced in line with the Council's obligation to the Public Sector Equality Duty provided by the Equality Act 2010. No adverse impact on any protected characteristic has been identified as a result of this policy.

#### 6. The Right to Seek a Review

6.1 Under the Local Government Finance Act 1988, there is no right of appeal against the Council's use of discretionary powers. However, the Council will accept a customer's request for a re-determination of its decision.

6.2 A request for a review / re-determination must be made within four weeks of receipt of notification of the decision and must set out the reasons for the request and any supporting information.

6.3 The Council will consider each request on its merits and will consider whether the customer has provided any additional information against the required criteria that will justify a change to its decision.

#### 7. Notification of Review/Re-determination

7.1 The Council will notify a customer of its decision within 28 days of receiving a request for a review or re-determination.

#### 8. Fraud

You may face prosecution if you have manipulated or falsified your position in order to obtain this relief.

Any relief made as a result of fraud may be subject to claw back, as may any reliefs paid in error.