

Runnymede Borough Council
Covid-19 Additional Relief Fund (CARF) Scheme.



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Runnymede
BOROUGH COUNCIL 

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Covid-19 Additional Relief Fund (CARF) Scheme

Introduction

On 25 March 2021, the Government announced a new COVID-19 Additional Relief fund (CARF). The main purpose of this scheme is to assist eligible businesses who have suffered a severe financial loss as a result of the Covid-19 pandemic and who have not received or are not eligible to receive a reduction in their 2021/22 Business Rate bill from the Expanded Retail Discount or Nursery Discount. Runnymede Borough Council has received £3.8 million in funding.

The Government published the guidance for the operation of CARF on 15 December 2021.

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

Eligibility for scheme

The Business Rate payers who are eligible for this relief (discount) are businesses who have not received any other discounts on their Business Rates as a result of COVID – 19 and are broadly:

- Factories
- Workshops
- Warehouses
- Storage
- Kennels and Catteries
- Stables

Who also meet the requirements of this scheme.

The Government have indicated that the following business sectors are **not** eligible for CARF as they would have already been eligible for support from another Government scheme):

- Retail
- Hospitality
- Leisure
- Nurseries
- Airports

Hereditaments with a rateable value of £500,000 or greater as of 21 December 2021 will not be eligible.

In line with previous Government grants, it is the main/primary use (greater than 50%) of the property that will be used to determine if the property is eligible for this relief.

Companies that are in administration, are insolvent or where a striking-off notice has been made are **not** eligible for funding under this scheme.

The business property must be shown in the local rating list for Runnymede Borough Council with its own rateable value as at 21 December 2021. If properties are subsequently brought into the rating list and backdated to a date before 21 December 2021, they will not be eligible. The property must be occupied for any period the discount is claimed. Business Rate payers who became liable for the 2021/22 Business Rates after 21 December 2021 will not be eligible for this discount. Where we have reason to believe that the information held about the ratepayer is inaccurate at the 21 December 2021, we may withhold or recover the grant and take reasonable steps to identify the correct ratepayer.

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Businesses will need to have been adversely affected by the pandemic and have been unable to adequately adapt to that impact. The business must have been adversely affected financially and be able to evidence this on request

The following main uses are excluded from relief under this scheme:

- Offices
- Petrol Stations, pipelines & storage
- Network operations, including communication stations
- Car Parking spaces
- Financial Services (e.g. banks)
- Estate & letting Agents
- Professional Services (e.g. solicitors)
- Medical Services (e.g. Vets, Dentists, Doctors Surgeries)
- Advertising Rights
- Public Services
- Schools & Colleges
- Mail & parcel delivery businesses
- Pharmaceutical Companies
- Utility Businesses
- Land (for any use) and premises
- Or other businesses that do not meet the spirit of this scheme

Administering the scheme

The Government funding for this scheme is available to reduce chargeable amounts in respect of 2021/22 Business Rates only. Unlike other Government Covid support schemes this scheme is a discount against the Business Rates payable for 2021/22, it is not a cash payment. However, it may be the case that as a result of awarding the discount a Business Rates account may show a credit for 2021/22, this credit will be offset against outstanding amounts for 2022/23. In developing and implementing the scheme local authorities must:

- a. Not award relief to ratepayers who for the same period of the relief 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. Not award relief to a hereditament for a period when it is unoccupied (other than hereditaments which have closed temporarily due to the governments' advice on COVID-19, which should be treated as occupied for the purposes of this relief)
- c. Direct their support towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to that impact.

The relief should be applied after mandatory reliefs and other discretionary reliefs have been applied.

The Council will need to ensure that it stays within the total amount of funding available. Currently, there are no indications from government that any additional funding will be made available.

Section 47 of the Local Government Finance Act 1988 states any decision to award must be made before six months after the end of the financial year in which the award day falls. Therefore, no new decision to award relief can be made after the 30 September 2022.

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If the business is awarded a change in rateable value at any time but, in particular after 30 September any relief resulting in a discount decision made under this scheme will be adjusted accordingly, subject to the properties continuing eligibility and available funding.

Managing the process

Organisations are required to provide a completed application form and if requested evidence such as accounts, financial statements including bank statements showing the business name account details etc... necessary to allow the Council to make a decision.

The application form is on our website:

[Grants for Business Rates – Runnymede Borough Council](#)

Where insufficient information is provided, despite reminders, then no relief will be granted. In all cases, the Council will notify the ratepayer of decisions made.

A revised demand will be issued showing :

- the amount of relief granted.
- The revised amount payable for Business rates.

Where relief is not granted then the following information will be provided, again in writing:

- an explanation of the decision within the context of the authority's statutory duty; and
- an explanation of the appeal rights (see page 4).

All applications must be received by 4:30pm on the 30 June 2022. After which time the scheme will be closed and no further applications will be considered.

Awards of Relief

The discount will be awarded for the period April 2021 to March 2022 only. There will be no award for any other financial year under this scheme.

Ratepayers that occupy more than one property in Runnymede will be entitled to a discount for each of their eligible properties, up to a combined rateable value of £499,999

The discount is 75% of the 2021/22 rate bill for the chargeable period. If there is funding available after the closing date of 30th June 2022 Runnymede Borough Council may choose to directly award the relief. In some situations, this may include a ratepayer self-certifying that it has been adversely affected and has been unable to adequately adapt and that the ratepayer does not breach any subsidy control limits.

For the avoidance of doubt the maximum discount awarded will not exceed the total chargeable amount for 2021/22 after the application of any other discounts or reliefs for which the business may be entitled.

Fraud

By accepting this relief, the business confirms that they are eligible for the discount scheme, including that the discount will comply with the subsidy rules. The Council and the Government will not accept deliberate manipulation and fraud. Any Business caught falsifying their records to gain the discount will face prosecution and any discount awarded will be subject to claw back, as may any discounts paid in error.

Subsidy Allowance

On Thursday 4th March new subsidy allowances were established for the COVID-19 business grant schemes, on the basis of the principles set out in article 3.4 of the Trade and Cooperation Agreement (TCA) with the EU. Further information can be found here:
<https://www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities>

Appeal rights

Whilst there is no formal right of appeal except by judicial review, in the interests of natural justice and to eliminate the risk of administrative error, applicants may seek a review of the decision from the Council within 14 days.

Powers given to the authority for the granting, varying, reviewing and revocation of discretionary relief under the Local Government Finance Act 1988, the Local Government and Rating Act 1997, the Local Government Act 2003 and the Localism Act 2011 shall be delegated to the Corporate Head of Customer, Digital and Collection Services in conjunction with the Revenues Technical Manager.

The amount of funding to be provided by the Council in respect of discretionary grant funding relief shall be determined by the Government's funding allocation and is approximately £3.8 million.

Where the authority receives a request from the ratepayer for a review of the decision regarding the granting or refusal of discretionary funding relief, the case will be reviewed by the Assistant Chief Executive.

This could include cases:

- where the applicant cannot provide evidence to satisfy all the criteria but can still demonstrate a significant loss of revenue.
- the applicant missed the deadline of 30th June 2022 due to exceptional circumstances and might qualify under the terms of the scheme.
- where the applicant is not listed as a priority business under government guidelines but relief funding could ensure the business can survive and the business is important to local economic need.

In exceptional circumstances, the Assistant Chief Executive may refer the case to the Corporate Management Committee if it is believed that the case merits further consideration. The ratepayer shall be informed of the final outcome.

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