



Appendix A

**Tewkesbury Borough Council
COVID-19 Additional Relief Fund
(Second Round)**

Version Control

| Version | Version date | Revised by | Description |
|---------|--------------|---------------|-------------|
| 1 | 15/06/2022 | Business Cell | First draft |
| 2 | 23/06/2022 | Business Cell | Final draft |
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1.0 Purpose of the scheme

- 1.1 This guidance is intended for businesses liable for business rates for the 2021/22 financial year within Tewkesbury Borough and who may be eligible for an award of discretionary rate relief through the COVID-19 Additional Relief Fund (CARF) announced by the government on 15 December 2021.
- 1.2 This guidance sets out the criteria under which businesses will qualify to make an application and the evidence required to support. This is in line with the government guidance issued on 15 December 2021.
- 1.3 The government wants local authorities to exercise their local knowledge and discretion and, in recognition of the fact that economic need will vary across the country, we are able to determine local criteria for the types of business we wish to support.
- 1.4 The Council has supported 49 individual business properties through the first round of the scheme and we are now launching a second round to encourage further businesses to apply for the relief. In line with other types of discretionary rate relief, awards can only be made to 30 September 2022.

2.0 Funding

- 2.1 Tewkesbury Borough Council has been allocated £2,340,291 by the government from the COVID-19 Additional Relief Fund and it is expected that most awards will be limited to a certain percentage, which means businesses may still have some business rates to pay.
- 2.2 The Council will limit the total awards to the level of funding available from Government and, to date, we have awarded £214,724.82 of our allocation.

3.0 Scope and Eligibility

- 3.1 Only businesses occupying properties and liable for business rates on 1 April 2021 are eligible to apply for COVID-19 Additional Relief Fund. Any relief must be applied for by 30 September 2022.
- 3.2 Billing authorities are responsible for designing 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 (i.e. the period 1 April 2021 to 31 March 2022) either are or would have been eligible for the Extended Retail Discount (covering retail, hospitality and leisure), the nursery discount scheme 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 and have been unable to adequately adapt to that impact.

3.3 In order to assist ratepayers in most need, if there are no business rates payable for 2021/22 i.e., 100% small business rate relief, mandatory, discretionary or rural rate relief has been awarded to the business during the period, the business will not be eligible for this relief.

3.4 In line with the legal restrictions in Section 47(8A) of the Local Government Finance Act 1988, billing authorities may not grant relief to themselves, to a precepting authority, or to a functional body within the meaning of the Greater London Authority Act 1999.

3.5 To be eligible for the relief, the business must be trading before 1 April 2021. If businesses were not trading prior to this date, then it is assumed they have started their business during the pandemic and would already have been aware of the financial situation.

3.6 Any changes to the rating list (rateable value or to the hereditament) after 1 January 2022, including changes which have been backdated to 1 April 2021, will be ignored for the purposes of eligibility

Where we have reason to believe that the information that we hold about the ratepayer on 1 January 2022 is inaccurate, we may withhold the relief and take reasonable steps to identify the correct ratepayer. We will remove the relief if we find out that the recipient was not the ratepayer on the eligible day.

3.7 For an application to be considered, we require ratepayers to demonstrate they meet the following eligibility criteria. Applicants will need to provide:

- Evidence to demonstrate a significant loss of income due to the COVID-19 pandemic. This is likely to be in the form of accounts, bank statements and management accounts for previous years and bank statements and management accounts for the current period.
- Confirmation that the business has not received any relief or discount under the relief schemes mentioned at 3.2 above
- Confirmation of Subsidy Allowance compliance.

3.8 The Council will consider each application on its own merits and the decision to award COVID-19 Additional Relief will be completely at the discretion of the council.

4.0 Exclusions

4.1 We are keen to support as many businesses as possible through the COVID-19 Additional Relief Fund, however we consider that some businesses are not eligible for rate relief under the scheme. We have decided not to support

businesses in the following sectors:

- Banks and other financial institutions, including ATMs;
- Local or major precepting authorities;
- Public bodies such as Fire and Rescue, Police, Ambulance service, NHS Trusts and Government departments;
- Networks supplying utilities and associated properties including electricity, gas, telecommunications, water, renewable energy and independent network operators;
- Royal Mail sorting offices and delivery services;
- Medical services including vets, dentists, doctors, osteopaths and chiropractors;

4.2 If a business is included in one of the list of exclusions it can still apply providing it can demonstrate it has been severely financially impacted by the pandemic and the Council will assess on a case by case basis.

4.3 If the business has business rates arrears for financial years before 2021/22, we will consider the reason for the arrears and take this into account when assessing the application.

5.0 How will relief be provided to businesses?

5.1 Businesses who were awarded COVID-19 Additional Relief under the original scheme, which was agreed under urgency powers in January 2022, will receive top-up funding to match the original award and up to 100% of their business rates liability for the 2021/22 financial year. The final award is at the total discretion of the Council.

5.2 Other businesses who haven't applied to date are encouraged to apply using our online application form which can be found at www.tewkesbury.gov.uk. We can only accept online applications.

5.3 We will accept applications for the COVID-19 Additional Relief Scheme (Second Round) from Monday 25 July until midnight on Sunday 28 August 2022 and we encourage businesses to apply as soon as possible.

6.0 How much relief will be awarded?

6.1 Tewkesbury Borough Council has access to limited funds from the government for this scheme and it is expected that relief will be awarded to help the maximum number of businesses. As a result, most awards will be made up to a percentage level of business rates liability, based on rateable value.

6.2 Other than for those businesses receiving a 'top-up', the final amounts of relief will be calculated after the closing date for the scheme. To be consistent with the level of relief award in the first scheme, the indicative awards will be:

| Rateable Value of Premises | Relief awarded (% of total bill) |
|----------------------------|---|
| £0 to £15,000 | 25 |
| £15,001 to £50,999 | 17 |
| £51,000 or over | 13.5 or £24,883.20 (whichever is lower) |

- 6.3 The relief will be awarded after all other reliefs have been applied.
- 6.4 All awards of relief will be a credit against the ratepayer's business rates bill for the 2021/22 financial year. No cash payments will be made.
- 6.5 We expect most businesses will have paid their business rates in full for 2021/22 and, where the account goes into credit, we will transfer this to offset the 2022/23 business rates liability unless we receive a written request from the ratepayer to refund it.

7.0 Limitations of funds and applications

- 7.1 There is a limited budget provided by the Government for the COVID-19 Additional Relief Fund. Once the fund has been fully utilised, the scheme will end unless there is further funding provided by the Government. In any event, all relief must be awarded by 30 September 2022.

8.0 Subsidy Control

- 8.1 Providing discretionary rate relief to ratepayers is likely to amount to a subsidy. The CARF scheme is subject to the subsidies chapter within the UK-EU Trade and Cooperation Agreement (TCA). However, for CARF there is an exemption for subsidies under the value of approximately £2,243,000 per economic actor (broadly speaking, for example, a holding company and its subsidiaries).
- 8.2 This allowance comprises 325,000 drawing rights (at current exchange rates about £343,000) for Small Amounts of Financial Assistance and a further £1,900,000 for COVID-19 related subsidy. Therefore to be awarded COVID-19 Additional Relief, the business must not have claimed more than £2,243,000 over the period 2019/20 and 2020/21 from schemes which fell within the Small Amounts of Financial Assistance or COVID-19 related allowances.
- 8.3 COVID-19 business grants paid by BEIS through local government and 2019/20 Retail Relief should count towards this limit, but you should not count any Expanded Retail Discount you have received since 1 April 2020. Further details on subsidy control can be found at <https://www.gov.uk/government/publications/covid-19-additional-relief-fund-carf-local-authority-guidance>

9.0 Scheme of delegation

- 9.1 The Council's Executive Committee has approved the scheme.
- 9.2 Individual relief decisions will be made on a delegated basis by the Revenues and Benefits team with support from stood down members of the COVID-19 Business Cell.

10.0 Notification of decisions

- 10.1 Relief will be calculated and applied to each individual business rates account. Following the award of relief, a revised bill will be issued and an email sent asking the business to declare if they do not qualify due to Subsidy Control.
- 10.2 Any decision to refuse an application will be communicated in writing, usually by email. The reason for refusal will be provided, however please note there is no appeal against this decision.

11.0 Complaints

- 11.1 The Council's complaints procedure (available at www.tewkesbury.gov.uk) will be applied in the event of any complaint received about the scheme, apart for the decision to award or not award COVID-19 Additional Relief.

12.0 Managing the risk of fraud

- 12.1 Tewkesbury Borough Council will not accept deliberate manipulation and fraud and any business caught falsifying their records to gain relief will face prosecution and any relief awarded will be revoked as may any relief awarded in error.

13.0 Sharing information

- 13.1 By applying for an award of relief from the COVID-19 Additional Relief Fund, all applicants give authority for Tewkesbury Borough Council to share data for efficient system administration and to protect public funds. This may include sharing data with the Counter Fraud and Enforcement Unit and other local authorities.

14.0 Other information

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

