



## **COVID-19 Business Support**

### **Covid-19 Additional Relief Fund (CARF)**

### **for the period 1 April 21 to 31 March 2022**

#### **1. Introduction**

- 1.1. The Government announced a new COVID-19 Additional Relief Fund (CARF) of £1.5 billion, to support those businesses affected by the pandemic but are ineligible for existing support linked to business rates.
- 1.2. Bristol's allocation of this fund is £13,728,293, which has been calculated by the Government with regard to the change in Gross Value Added as a proxy for the economic impacts of Covid 19 on each business sector.
- 1.3. Relief will be granted under this policy using discretionary relief powers under section 47 of the Local Government Finance Act 1988 to reduce business rate bills in respect of 2021/22 only.
- 1.4. Businesses must apply for support under this scheme directly to the local council to whom they pay business rates. [Check the postcode of where your business is trading](#) to see which is the local council. Note, if a business applies to the wrong council it will be declined and they will need to apply directly to the correct council.

#### **2. Eligible businesses**

- 2.1 A business may be eligible if they can demonstrate they have been
  - adversely affected by the pandemic, AND,
  - unable to adequately adapt to that impact

#### **3. Relief to be provided to businesses**

- 3.1. Relief of up to 100% of the business rates chargeable amount for the year 2021-2022 financial year will be applied consistently across all successful applications. The award will be credited direct to the rates account.
- 3.2. Depending on the level of demand on the fund, the amount of relief given to a business may be capped at a certain value so the fund can support as many businesses as possible.

#### **4. Eligibility Criteria**

- 4.1 If the business meets all the following criteria, they could be eligible for relief:
  - based in the Bristol City Council area and trading at the time of application

- charged business rates for any period within the 2021-2022 financial year
  - The business hereditament is related to business activity only rather than for personal use (for example a hobby, pastime, or personal car parking space)
- 4.2. They will be required to self-certify that the business meets all the eligibility criteria
- 4.3. Business that were liable for business rates in the 2021-2022 financial year but have since closed down will be considered by exception.

## 5. Exclusions from the Scheme

- 5.1. The business is outside of the Bristol City Council area.
- 5.2. A business premises for any period when it is unoccupied (other than hereditaments which were closed temporarily due to the government's advice on COVID-19, which will be treated as occupied for the purposes of this relief)
- 5.3. Businesses that have reached the subsidy allowance limit.
- 5.4. Businesses that are eligible for the Extended Retail Discount (covering Retail, Hospitality and Leisure)
- 5.5. Businesses that are eligible for the Nursery Discount.
- 5.6. Premises and land used for personal use or personal storage.
- 5.7. Car parking spaces that are not run as a commercial business.
- 5.8. Utilities and communications infrastructure
- 5.9. Central and local government and NHS infrastructure.

## 6. Application process

- 6.1. Applicants must apply using the online application form (which will include, where required, the ability to upload documents at point of application) **within the published dates**. Late applications cannot be accepted.
- 6.2. Applicants will need to self-certify that they meet the criteria of the scheme
- 6.3. Applicants will need to provide information and evidence, where relevant and/or appropriate including:
- Business type/sector
  - Business rate account number
  - Declaration as to the impact on your business. We may ask for further information or supporting evidence
  - Declaration as to Subsidy allowance
  - Email or correspondence address

## **7. Assessment Process**

- 7.1. The application window will be open for a defined period.
- 7.2. All applications received will be assessed against the criteria, and the award value will only be finalised once all applications have been processed. Applicants that are not successful will receive written notification.

## **8. Award Process**

- 8.1. There is no guarantee that every business that meets the eligibility criteria of this policy will receive relief.
- 8.2. Any relief awarded under this scheme will be applied after other mandatory reliefs and other discretionary reliefs have been applied.
- 8.3. The amount awarded will be credited as a relief to reduce the chargeable amount of business rates for the 2021/22 financial year. Credit balances will normally be carried forward into 22-23 financial year but may be refunded if requested.
- 8.4. There will be no direct cash payments as a result of this scheme.
- 8.5. Any award of this relief is subject to the property's continuing eligibility; the amount will be recalculated in the event of a change of circumstances that renders the property ineligible or reduces the value of the award. This could include, for example, a backdated change to the rateable value or to the premises, whether the change arises in the 21-22 year or during a later year.
- 8.6. The council has discretion as to the prioritisation of all applications received and the level of each award.
- 8.7. In the event of complaint or challenge, applicants should follow the council's [complaints procedure](#). No separate dispute mechanism is in place with this fund.
- 8.8. After making an application, the business will need to notify Bristol City Council if they no longer meet the eligibility criteria – for example if they have maximised their subsidy allowance.

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

- 9.1. Local authorities will not accept deliberate manipulation and will work collaboratively across the region and nationally to share intelligence and resources to detect fraud. Any business found to be giving false eligibility information or seeking to gain additional relief will be investigated. The council will recover money paid in error and fraudulent claims will be prosecuted in the courts.

## **10. Subsidy Allowances (previously known as State Aid)**

10.1. Providing discretionary relief to ratepayers is likely to amount to a subsidy.

10.2. Any relief provided by Local Authorities under the CARF Scheme will need to comply with the UK's domestic and international subsidy control obligations

10.3. Businesses must make a declaration when applying for this scheme in line with the following:

- 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). This allowance comprises 325,000 Special 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.
- To be awarded CARF the business (economic actor) will need to declare that during the period 2019/20 to 2021/22 no more than £2,243,000 has been claimed from schemes which fell within the Small Amounts of Financial Assistance or COVID-19 related allowances.
- COVID-19 business grants you have received from local government and the 2019/20 Retail Relief should count towards this limit, but you should not count any Extended Retail Discount you have received since 1 April 2020. If an economic actor has reached the £2,243,000 limit set out above, then it may still be able to receive up to a further £10 million as a COVID-19 Additional Relief Fund Further Allowance under the CARF Scheme, if it satisfies the following conditions:
  - a. the relief relates to uncovered fixed costs (i.e. costs not covered by profits or insurance etc) during the period of COVID-19 (commencing 1 March 2020). An economic actor may benefit from relief up to 70% of their uncovered costs (although this 70% limit does not apply to small businesses with fewer than 50 employees and less than £9 million turnover where the limit is instead 90%), and
  - b. the enterprise has shown a decline in turnover during the eligible period of at least 30% compared to the same period in 2019.

## **11. Local Discretion**

11.1 Where exceptional circumstances exist, the council reserves the right to vary the criteria of this scheme to respond effectively to local economic need.