

## **1. COVID-19 Additional Relief Fund (CARF)**

- 1.1. Billing authorities are responsible for designing the discretionary relief schemes that are to operate in their areas. However, in developing and implementing their schemes local authorities must, if they are funding the relief from the section 31 grant:
- 1.1.1. 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),
  - 1.1.2. not award relief to a hereditament for a period when it is unoccupied (other than hereditaments which have become closed temporarily due to the government's advice on COVID-19, which should be treated as occupied for the purposes of this relief), and
  - 1.1.3. direct their support towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to that impact.
  - 1.1.4. 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, certain precepting authorities (e.g. a parish or county council) or a functional body, within the meaning of the Greater London Authority Act 1999.
- 1.2. The maximum value of fund to distribute in Haringey is £3,869,472

## **2. Objectives of the scheme**

- 2.1 To distribute the relief to categories of businesses in the borough which have been adversely affected by the pandemic and have been unable to adequately adapt to that impact.
- 2.2 To minimise the administrative burden on businesses and the council
- 2.3 Maximise the distribution of relief to local businesses.
- 2.4 The scheme must be read in conjunction with the COVID-19 Additional Relief Fund (CARF): Local Authority Guidance (the Guidance) set out on 15<sup>th</sup> December 2021 and any subsequent amendments.  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1041468/CARF\\_LA\\_Guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1041468/CARF_LA_Guidance.pdf)

## **3. Methodology**

- 3.1. Businesses will be invited to claim support to ensure that they meet the basic eligibility requirements of the scheme as set out in the guidance document, including questions of subsidy. Claims must be satisfactorily completed on the Council's chosen application software and submitted before the scheme closes. The scheme closing date is 31<sup>st</sup> March 2022.

- 3.2. The Council may make amendments to individual relief awards in accordance with s47 until 30<sup>th</sup> September 2022.
- 3.3. The allocation methodology uses the change in Gross Value Added (GVA) as a proxy for the economic impacts of COVID-19 on each business sector. The GVA data used is available here:  
<https://www.ons.gov.uk/economy/grossdomesticproductgdp/datasets/monthlygrossdomesticproductbygrossvalueadded>
- 3.4. The adverse effect of the business will be determined by reference to the table set out in Annex A of the guidance. We use the VOA information about the rateable value (RV), location and type of property for all properties liable for business rates. The type of property is determined by its Special Category Code, or SCat code. To account for the differing severity of Covid-19 impacts on sectors, the support given to each hereditament is weighted by GVA impact. To do this, BEIS has worked with the VOA to develop a mapping from SCat codes to Standard Industrial Classification of Economic Activities (SIC) codes. This is shown in Annex C of the guidance.
- 3.5. The value of the support will be determined by the rateable value of eligible properties and calculated after the award of other exemptions and discounts. The total relief under this scheme will be paid after any other discounts or reliefs, and net of any other discounts or reliefs.
- 3.6. This scheme applies for the Financial Year 2021/22 only.
- 3.7. The award is calculated daily.
- 3.8. The award of relief will be assessed by reference to the SCat code for the hereditament which is recorded on the Councils Systems.
- 3.9. The Scat code is used to determine the SIC code.
- 3.10. The SIC code is used to determine the change in GVA for that type of business.
- 3.11. The change in GVA as calculated by the ONS is used to determine the percentage of rate relief to be applied to the hereditament.
- 3.12. In order to manage funding allocation, it is anticipated that there may be more than one round of allocations. The initial round will be based on the reduction in GVA but reduced by 89% as set out in the table below so as not to exceed the £3.8m funding provided. Should there be unallocated funding following the first round, the council will consider making a further distribution of relief based on average GVA loss.
- 3.13. The percentage of rate relief is determined initially by the following table:

SIC Code Description	Reduction in GVA	Maximum Relief
Hospitality	55%	49%
Arts, Entertainment and Recreation	34%	30%
Other Services	32%	28%
Transport	32%	28%
Administrative Services	21%	19%
Education	20%	18%
Construction	14%	12%
Health	10%	9%
Manufacturing	9%	8%
Wholesale and Retail	8%	7%
Information and Communication	6%	5%
J-N: Information, Communication, Financial Intermediation, Real Estate and Business Services	6%	5%
Financial Services	2%	0%
Storage and Distribution	1%	0%

- 3.14. These percentage amounts for relief may be changed in any further allocation rounds, at the Council's discretion, to maximise the distribution of the relief.
- 3.15. Where there is a reduction in GVA of 5% or less the businesses in those sectors have been deemed to have been able to adequately adapt to the impact of the pandemic and will not be awarded this relief.
- 3.16. In order to minimise the administrative burden for all parties the minimum value for the award of relief will be £100 and awards calculated to fall below this amount will not be invited or paid.

#### **4. Excluded hereditaments (in accordance with the Guidance)**

- 4.1. The council will not award relief to properties that have already been eligible for the Extended Retail Discount (covering Retail, Hospitality and Leisure), the Nursery Discount or the Airport and Ground Operations Support Scheme (AGOSS), the following property types have been given a zero weighting in the allocation: retail, hospitality, leisure, nurseries, and airports. For the purposes of this scheme, retail, hospitality, leisure and nursery properties are defined in Annex D, and airports are defined in Annex E.
- 4.2. Where there is a reduction in GVA of 5% or less the businesses in those sectors have been deemed to have been able to adequately adapt to the impact of the pandemic and will not be awarded this relief.
- 4.3. Networks supplying utilities and associated properties have been deemed out of scope of the relief. These are defined at Annex F in the Guidance.

#### **5. Recalculations and revocations**

- 5.1. The amount of relief awarded may need to be recalculated in the event of a change of circumstances. This could include, for example, a backdated

- change to the rateable value or the hereditament. This change of circumstances could arise during the year in question or during a later year.
- 5.2. Where a change in circumstances renders a property ineligible or reduces the value of the award, the relevant bill can be amended in the year, or for a previous year, to reflect the loss of the relief.
  - 5.3. It is a condition of the award that the relief is subject to the property's continuing eligibility.
  - 5.4. The Council's decision on an award is final and there is no appeal process. The Council will undertake to review its decision where this is requested by the applicant on or before 31<sup>st</sup> March 2022.