



LOCAL RESTRICTIONS GRANT POLICY

WEF 5 NOVEMBER 2020

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Introduction

On 9th, 22nd and 31st October 2020, the Government announced the introduction of additional support for businesses to be made available via a series of grants to be paid by local authorities.

Local authorities are required to adopt policies to distribute grants to business, through periods of national and local restrictions. In Staffordshire, Tier2 restrictions were imposed from 31 October and superseded by national restrictions imposed from 5 November, which required many businesses to close until 2 December

This document describes the manner in which this Council will distribute its funding to local businesses. Support will take the form of the following grants.

Name of Grant	Businesses Affected
Local Restrictions Support Grant (Closed)	Businesses mandated to close from 5 November.
Additional Restrictions Grant	Discretionary fund to be developed in phases.
Local Restrictions Support Grant (Sector)	Nightclubs etc closed since 23 March 2020
Local Restrictions Support Grant (Open)	Businesses severely impacted under the 3 tier system

The underlying principle of this policy is that the council is distributing government funds in accordance with the methodology that the government has used to allocated funding to the Council.

The first version this policy is written to specifically cover the 28 day 'lockdown' period from 5 November to 2 December 2020, inclusive.

The Policy will be updated at the end of that period to reflect the prevailing guidance and funding.

Local Restrictions Support Grant (Closed)

National Lockdown from 5 November

This grant is intended to cover those businesses that were mandated to close from 5 November as a consequence of central government restrictions.

These are businesses providing in-person services to customers from their business premises and include non-essential retail, leisure, personal care, sports facilities and hospitality businesses. They will typically include the following:

Amusements and visitor attractions (family entertainment centres)	Discotheques*
Art Gallery / Museum (privately owned)	Gyms, yoga / dance centres
Bars	Hairdressers
Beauticians and salons	Hotels
Bowling Allies	Ice Rinks
Cafés with indoor / outdoor seating	Leisure Centres
Bookmakers	Market Stalls (indoor or outdoor)
Camping and Caravan sites	Nail Bars
	Night Clubs*

Outdoor Pursuits Centres
Play Centres /Soft Play Centres
Private Golf Courses and Driving
Ranges
Public Houses
Registered bed and breakfast
accommodation
(not Airbnb accommodation)

Restaurants
Shops and Retail Outlets selling non-
essential goods.
Sexual Entertainment Venues*
Sports Clubs (e.g. football, rugby)
Theatres / Cinemas / Event Spaces
Trampoline Centres
Urban farms

Organisations marked * above, which were subject to national closures since 23 March 2020 will also be able to claim Local Restrictions Support Grant (Sector) for periods from 1-4 November and 3 December onwards.

The term 'closed' for the purpose of this grant means that the substantive has been forced to close. So bars and restaurants, shops etc which are able to trade as click and collect, delivery or take-aways only, will be treated as being closed.

Grants will initially be paid on a one-off basis, in respect of a 28 day period commencing on 5 November at the following rates;

- a. Businesses occupying hereditaments appearing on the rating list with a rateable value of £15,000 or under on 5 November will receive a payment of £1,334.
- b. Businesses occupying hereditaments appearing on the rating list with a rateable value over £15,000 and less than £51,000 on 5 November will receive a payment of £2,000.
- c. Businesses occupying hereditaments appearing on the rating list with a rateable value of £51,000 or above on 5 November, will receive a payment of £3,000.

For the avoidance of doubt, grants will be paid according to the rating list as it appears on 5 November. Entries into the list after this date will not attract a grant, even if made retrospectively with effective dates prior to 5 November.

Where it appears to the Council that an entry in the list is erroneous and needs to be removed, the Council will not pay the grant.

Similarly, the rate of grant payments will not be altered as a consequence of changes to rateable value made after 5 November.

In cases where it was factually clear to the Council that the rating list was inaccurate on that date, we may withhold the grant and/or award the grant based on the view of who would have been entitled to the grant had the list been accurate. This is entirely at the discretion of the Local Authority and only intended to prevent manifest errors.

Grants are paid to the person or organisation who was responsible for the business rates on 5 November. Where the Council has reason to believe that the information that they hold about the ratepayer on 5 November is inaccurate they may withhold or recover the grant and take reasonable steps to identify the correct ratepayer.

Exclusions to Local Restrictions Support Grant (Closed)

- Businesses that are able to continue to trade because they do not depend on providing direct in-person services from premises and can operate their services effectively remotely (e.g. accountants, solicitors) are not eligible for the grant.
- Businesses that were in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.

The Council may from time to time define categories of business to be excluded from these grants.

Application Process

Applications will be made on line and the applicant will be required to confirm

- That they are the party liable for the business rates
- The nature of the business. (Sector)
- The company registration number or National Insurance Number in the case of sole traders.
- Size of the business (employees, turnover, balance sheet)
- That they were trading from the premises on 5 November
- That they have closed the business on 5 November
- That receipt of the grant will not exceed State Aid compliance rules
- The bank account into which the grant is to be paid.
- Evidence of the bank account (this will not be needed if it was provided in support of a Business Support Grant earlier in 2020)

This scheme will be reviewed at the end of the initial 28 day period and updated in line with the prevailing Government guidance, restrictions and funding.

Additional Restrictions Grant

Under the Additional Restrictions Grant, the council received a one off lump sum payment amounting to £20 per head of population as national restrictions were imposed on 5 November.

The Council is required to write a policy to allocate those funds during the period from 5 November 2020 to 31 March 2022. Local authorities can use this funding for any business support activities. The government envisage this will primarily take the form of discretionary grants, but the council also use this funding for wider business support activities.

This council will take a phased approach to the allocation of these funds with the phase one providing urgently needed support to businesses that are seriously impacted by the national lockdown but do not qualify for Local Restrictions Support Grant (Closed).

Phase 1 Additional Restrictions Grant will therefore be paid to:

- Businesses trading on 4 November from commercial premises for which they are not the direct ratepayer (e.g. shared spaces or premises under a paramount control of another party) will receive a payment of £1,334 in respect of the 28 day period commencing 5 November.
- Businesses who, whilst not mandated to close, provide goods or 'business to business services' to a customer base that is mandated to close. This could include – for example – businesses which supply the retail, hospitality, and leisure sectors, or businesses in the events sector. Where such trade represents more than 50% of the expected business of the organisation and that organisation closes from 5 November, grants will be paid at a similar rate to the Local Restrictions Support Grant (Closed)
 - Non-ratepayers occupying commercial premises will receive £1,334
 - Rateable value up to £15,000 will receive £1,334
 - Rateable value from £15,001 up to £51,000 will receive £2,000
 - Rateable value over £51,000 will receive £3,000
- Market Traders, resident within the council's area, who are not able to trade, due to the nature of their business or the closure of the premises from which they trade, will receive £1,334 for the 28 day period commencing 5 November.

No grant is payable in respect of individuals or organisations who operate from domestic premises.

Application Process

Applications will be made on line and the applicant will be required to confirm

- The nature of the business. (Sector)
- The company registration number or National Insurance Number in the case of sole traders.
- Size of the business (employees, turnover, balance sheet)
- That they were trading from the premises on 4 November
- That they have closed the business on 5 November
- That receipt of the grant will not exceed State Aid compliance rules
- The bank account into which the grant is to be paid.
- Evidence of the bank account (this will not be needed if it was provided in support of a Business Support Grant earlier in 2020)

Phase 2 Additional Restrictions Grant will be developed to take effect from 3 December 2020 and will be used to support the grants prevailing at that time, which are expected to be Local Restrictions Support Grant (Open).

Subsequent phases will also be developed in conjunction with the Council's corporate strategies for economic recovery and growth. Key sectors that contribute to economic growth and recovery for the District will be identified by the Council's Economic Development Team.

The Council may use ARG funding to provide additional support to larger local businesses which are important to the local economy, on top of the funding provided to those businesses via the LRSG (Closed) scheme, with due reference to State Aid.

In taking decisions on the appropriate level of grant, the Council may have regard to the level of fixed costs faced by the business in question, the number of employees, whether they are unable to trade online and the consequent scale of coronavirus losses.

Local Restrictions Support Grant (Sector)

Eligible businesses are Nightclubs, dance halls, discotheques, sexual entertainment venues and hostess bars that have been subject to national closures since 23 March 2020 and which have not been able to re-open as a result of regulations made under the Public Health (Control of Disease) Act 1984.

Businesses must have been trading on **23 March 2020** to be eligible to receive a grant payment.

Other businesses may be added to this list in future, but those entitled to Local Restrictions Support Grant (Closed) cannot receive 'Sector' grants for the same period. If new national closures of business property types are announced, then the business must have been trading on the date of the announced closure in order to be eligible.

During the period 5 November to 2 December these businesses will receive Restrictions Support Grant (Closed), as above. 'Sector' grants will resume from 3 December, for as long as the businesses are mandated to close.

For the avoidance of doubt, businesses that were in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.

Business in this sector will not be eligible if they have re-purposed their business and as a result been able to open, for example changing their business from a nightclub to a bar.

The person who, according to the billing authority's records, was the ratepayer in respect of the hereditament on the 1 November 2020 is eligible for the grant. Where the Local Authority has reason to believe that the information that they hold about the ratepayer on the first full day of the national restrictions is inaccurate they may withhold or recover the grant and take reasonable steps to identify the correct ratepayer.

Following the 28 day lockdown period, payments will be made, as follows, for each **14-day period** of closure.

- Businesses occupying hereditaments appearing on the local rating list with a rateable value of £15,000 or under on the date of the commencement of the national restrictions will receive a payment of £667 per 14-day qualifying restriction period.
- Businesses occupying hereditaments appearing on the local rating list with a rateable value over £15,000 and less than £51,000 on the date of the commencement of the national restrictions will receive a payment of £1,000 per 14-day qualifying restriction period.
- Businesses occupying hereditaments appearing on the local rating list with a rateable value of exactly £51,000 or above on the commencement date of the national restrictions will receive a payment of £1,500 per 14-day qualifying restriction period.

A pro-rata payment will be made to businesses in this sector, to cover the period from 1st to 4th November. No payment will be made for periods prior to 1st November.

Application Process

Applications will be made on line and the applicant will be required to confirm

- That they are the party liable for the business rates
- The nature of the business. (Sector)
- The company registration number or National Insurance Number in the case of sole traders.
- Size of the business (employees, turnover, balance sheet)
- That they were trading from the premises on 5 November
- That they have closed the business on 5 November
- That receipt of the grant will not exceed State Aid compliance rules
- The bank account into which the grant is to be paid.
- Evidence of the bank account (this will not be needed if it was provided in support of a Business Support Grant earlier in 2020)

Local Restrictions Support Grant (Open)

This strand of support was announced by the government on 22 October 2020 to help kick-start recovery for businesses that are not legally required to close but are severely impacted by the restrictions under Local Covid Alert Level 'High' (LCAL 2) and 'Very High' (LCAL 3) restrictions.

On 1 November 2020 the county of Staffordshire entered the High' (LCAL 2) category which imposed local restrictions on businesses and residents. A series of grants were available to support businesses affected by such restrictions, though these were somewhat superseded by the national lockdown measures, from 5 November.

Local Authorities have the freedom to determine the precise eligibility criteria for these grants. However, Government would expect the funding to be targeted at hospitality, hotel, bed & breakfast and leisure businesses. Local Authorities should consider how the Local Restrictions Support Grant (Open) funding can help kickstart recovery by supporting sustainable businesses that have not been legally required to close but which are severely impacted by LCAL 2 or 3 restrictions.

The following grants are applicable for the period from 3 December, should England revert to the three tier system and Staffordshire revert to Tier 2.

- Grants of up to £934 per 28-day period for hospitality, hotel, bed & breakfast and leisure businesses occupying hereditaments with a rateable value of exactly £15,000 or under on the date of the commencement of the local restrictions (31 October)
- Grants of up to £1,400 per 28-day period for hospitality, hotel, bed & breakfast and leisure businesses occupying hereditaments with a rateable value over £15,000 and less than £51,000 on the date of the commencement of the local restrictions. (31 October)
- Grants of up to £2,100 per 28-day period for hospitality, hotel, bed & breakfast and leisure businesses occupying hereditaments with a rateable value of exactly £51,000 or above on the date of the commencement of the local restrictions. (31 October)

A small discretionary fund would be available to assist with other types of business outside of these criteria.

Application Process

An on-line application process will be available during December 2020.