



South Cambridgeshire District Council: National Lockdown Business Support Policy

- Local Restrictions Support Grant
- Additional Restrictions Support Grant
- Local Restrictions Discretionary Hardship Scheme for Businesses

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Introduction

On 1st November 2020, the Government announced a second period of national lockdown to control the spread of the coronavirus, to come into force from the 5th November 2020 and running for four weeks until 2nd December 2020. To support businesses during this period of lockdown, Government announced funding in the form of Local Restrictions Support Grant schemes.

Businesses that are required to close during this period because of The Health Protection (Coronavirus, Restrictions) (England) (no. 4) Regulations 2020 will be eligible to receive a grant under the Local Restrictions Support Grant scheme. Businesses that are not forced to close, but who are nonetheless severely impacted by the national lockdown, will be able to apply for support under the Additional Restrictions Support Grant scheme.

South Cambridgeshire District Council will also make available a third scheme, the Local Restrictions Discretionary Hardship Grant, which is aimed at supporting businesses facing exceptional hardship as a result of the forced business closures.

This policy sets out how South Cambridgeshire District Council will deliver this range of grant funding to support businesses during the four-week national lockdown commencing 05th November 2020.

Should the national restrictions be extended beyond 2nd December 2020, or if businesses are affected by further local restrictions in Tier 2 or 3, this policy will be updated to reflect any further support available.

Grant Scheme Details

Local Restrictions Support Grant (LRSG)

Businesses that were open as usual and providing in-person services from their business premises but were required to close by law on 5th November 2020 will be eligible to receive an LRSG. Businesses that are not required to close but have chosen to do so are not eligible to receive



support under the LRSG but may be able to apply for support under the Additional Restrictions Support Grant Scheme (ARSG).

Any business that has been required to close but continues to operate as a takeaway, click and collect or online with delivery services will be considered to be closed for the purpose of this grant, because the substantive business has been required to close. Business where the substantive operations prior to 5th November 2020 were takeaway, click and collect or online with delivery services will not be eligible for the LRSG.

The grant amounts will be fixed based on the rateable value of the business at the below rates, and payable once per four-week period. Businesses with more than one qualifying property will receive a grant for each eligible property that is subject to the restrictions. The grants are payable at the following levels:

Business Rateable Value*	Grant Amount per 28-day period
Businesses with a rateable value on or below £15,000	£1,334
Businesses with a rateable value between £15,001 and £51,000	£2,000
Businesses with a rateable value of more than £51,000	£3,000

*As of 5th November 2020.

The person who was registered as the ratepayer on the Council's records on 5th November 2020 is eligible to receive the grant. If there is any reason to believe this to be incorrect, the Council may take reasonable steps to identify the correct ratepayer. Grants may be liable for recovery if the recipient is later found not to be eligible. Businesses that are not registered to pay Business Rates are not eligible to receive the LRSG, but instead may be able to access support via the ARGS.

Any changes to the rating list (rateable value or to the property) after the first full day of national restrictions came into force, including changes which have been backdated to this date, will be



ignored for the purposes of eligibility. South Cambridgeshire District Council is not required to adjust, pay, or recover grants where the rating list is subsequently amended retrospectively to the national lockdown date. In cases where it was factually clear to South Cambridgeshire District Council on the date of commencement of national lockdown, that the rating list was inaccurate, the grant may be withheld and/or awarded based on the Council's view of who would have been entitled to the grant had the list been accurate. This is entirely at the discretion of South Cambridgeshire District Council and only intended to prevent manifest errors

Exclusions

- Businesses that can continue to trade because they are not dependent on providing direct in-person services from premises and can operate their services remotely e.g. accountants, solicitors
- Businesses which have already received grant payments that equal the maximum levels of State Aid permitted (see **Appendix A**)
- Businesses that are in administration, are insolvent, or where a striking-off notice has been served
- Businesses that were not trading on 4th November 2020

Additional Restrictions Support Grant (ARSG)

The Additional Restrictions Support Grant has been made available by Government for each Local Authority to use its discretion to decide how best to support local businesses affected by local / national restrictions. South Cambridgeshire District Council will make this funding available to the following business types:

- Non-rate paying businesses required to close by law because of the national lockdown measures (e.g. those operating in shared spaces or spaces where they pay rent but are not the ratepayer)
- Non-rate paying business who have not been mandated to close themselves but have been severely impacted by the restrictions, for example businesses that form part of the supply chain to others that have been forced to close. These businesses will need to demonstrate a



severe, direct impact of the restrictions in terms of significantly reduced sales, revenue and/or income because of the lockdown.

- Rate-paying businesses who have not been mandated to close themselves, but have been severely impacted by the restrictions, for example, businesses that form part of the supply chain to others that have been forced to close. These businesses will need to demonstrate a severe, direct impact of the restrictions in terms of significantly reduced sales, revenue and/or income because of the lockdown.

Businesses falling within the above categories and who are within South Cambridgeshire District Council's boundaries, will receive a single grant of up to £3,000 to cover the four-week national lockdown period. The grant amounts will be fixed based on the rental costs of the business at the below rates. Businesses with more than one qualifying property will receive a grant for each eligible property. The payments align with those available through the Local Restrictions Support Grant, and are payable at the following levels:

Business Rateable Value / Rent	Grant Amount per 28-day period
Businesses with rateable value / rent below £15,000 per annum	£1,334
Business with rateable value / rent between £15,001 and £50,999	£2,000
Businesses with rateable value / rent over £51,000	£3,000

Exclusions

- Businesses which have already received grant payments that equal the maximum levels of State Aid permitted (see **Appendix A**)
- Businesses that are in administration, are insolvent, or where a striking-off notice has been served
- Businesses that were not trading on 4th November 2020
- Businesses where assistance is sought only to cover wages



Local Restrictions Discretionary Hardship Scheme for Businesses (LRDHS)

Our Local Restrictions Discretionary Hardship Scheme (LRDHS) is here to support businesses that face extreme hardship as a result of pandemic restrictions on business operations, but who may not be eligible for the Local Restrictions Support Grant or Additional Restrictions Support Grant and/or have received limited state aid/financial assistance to date.

Businesses seeking further support will be asked to provide a written statement explaining how their business has been severely adversely affected by the restrictions and why support should be given. A short, written statement of no more than 500 words should include details of year on year income, sales and/or revenue losses where applicable, why they have been ineligible for other government-related schemes (if applicable) and details of how any monies received from this fund will be used. Relevant evidence should be provided in support of any application.

Please note: LRDHS will only be awarded in exceptional circumstances and is awarded at the discretion of the Council. Businesses seeking support via this route must be able to demonstrate that they have exhausted all other means of support prior to applying. The council reserves the right to withdraw this scheme at a point when all funds issued to us by central government have been allocated.

In taking decisions on the Local Restrictions Discretionary Hardship Scheme, South Cambridgeshire District Council will take the following into account:

- The level of fixed costs faced by the business in question
- The number of employees
- Whether businesses have had to close completely and are unable to trade online
- The consequent scale of COVID-19 losses
- Whether the business provides goods and services which are of great benefit to the district or neighbourhood in which it is located
- Businesses must have been trading as a going concern prior the pandemic and must be able to demonstrate short-medium term plans for sustained business recovery.



The amount of support awarded would be determined on a case by case basis, but will be limited to a maximum of £3,000, unless exceptional circumstances apply

Exclusions

- Businesses which have already received grant payments that equal the maximum levels of State Aid permitted (see **Appendix A**)
- Businesses that are in administration, are insolvent, or where a striking-off notice has been served

Application Process

All grants will require an online application form to be completed, which will be published on our website when the schemes are launched.

The application process will allow the Council to undertake proportionate pre-payment checks to confirm eligibility relative to the scheme in question and to allow the appropriate level of grant to be identified.

Appeals

Whilst there is no formal right of appeal, if the applicant is dissatisfied with the outcome, they can request a review of the decision. The request should be submitted in writing to businessgrants@scambs.gov.uk within one week of the initial decision and should detail the reasons why a review is considered necessary, providing any additional supporting information required. The review will be undertaken by an officer who has not been involved in the previous decision.

If the applicant remains dissatisfied with the decision on a point of law, there is an appeal route by way of Judicial Review. Applicants may also lodge a complaint with the Local Government and Social Care Ombudsman.



State Aid & Tax Matters

Any payments accepted will follow State aid requirements. The requirements for State aid declarations is included at **Appendix B**. Grant income received by a business is taxable and will need to be included as income in the business's tax return.

Anti-Fraud Measures

The Government will not accept deliberate manipulation and fraud. Any business caught falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.

In addition to pre-payment eligibility checks there will be a process managed by Internal Audit which uses government schemes such as the National Fraud Initiative (NFI) to ensure the Council takes reasonable steps in prevention of fraud and error. Data will be shared with BEIS and NFI and central government will support local authorities to carry out post-event assurance work.



Appendix A – State Aid Requirements

The United Kingdom left the EU on 31 January 2020, nonetheless under the Withdrawal Agreement the State aid rules continue to apply during a transition period, subject to regulation by the EU commission. The Local Authority must be satisfied that all state aid requirements have been fully met and complied with when making grant payments including, where required, compliance with all relevant conditions of the EU state aid De Minimis Regulation, the EU Commission Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak, the approved COVID-19 Temporary framework for UK Authorities and any relevant reporting requirements to the EU Commission.

Payments made can be provided under the existing De Minimis rules, provided doing so does not exceed the 200,000EUR threshold. Payments made where the De Minimis threshold has been reached should be paid under the Covid-19 Temporary Framework for UK Authorities (threshold 800,000EUR).

Any business that has reached the limits of payments permissible under the De Minimis and the UK Covid-19 Temporary State aid Framework will not be able to receive further grant funding.