



**LANCASTER
CITY COUNCIL**

Promoting City, Coast & Countryside

INDIVIDUAL CABINET MEMBER AND OFFICER DELEGATED DECISIONS

WEDNESDAY, 9 DECEMBER 2020

Please find enclosed Decision Notice in connection with the following:

ICMD8 COVID-19 LOCAL RESTRICTIONS SUPPORT POLICY 2020/21 (Pages 2 - 59)

Please note that the Chair of Overview & Scrutiny has agreed to waive the call-in period on this decision.

Queries regarding these documents

Please contact Liz Bateson, Democratic Services - email ebateson@lancaster.gov.uk.

Democratic Services,
Town Hall,
Dalton Square,
Lancaster,
LA1 1PJ

Published on WEDNESDAY, 9 DECEMBER 2020



Promoting City, Coast & Countryside

**EXECUTIVE DECISIONS TAKEN BY CABINET PORTFOLIO HOLDER
NOTICE OF DECISION**

TITLE OF DECISION: "COVID-19 LOCAL RESTRICTIONS SUPPORT POLICY 2020/21"	
NAME OF DECISION TAKER:	COUNCILLORS ERICA LEWIS, TIM HAMILTON-COX & ANNE WHITEHEAD
POSITION AND RESPONSIBILITY HELD:	LEADER OF THE COUNCIL, CABINET MEMBER WITH RESPONSIBILITY FOR SUSTAINABLE ECONOMIC PROSPERITY & CABINET MEMBER WITH RESPONSIBILITY FOR FINANCE
CONTACT OFFICER:	ADRIAN ROBINSON HEAD OF SHARED SERVICES
TELEPHONE:	01772 906023
E-MAIL:	A.robinson@preston.gov.uk
<p>Details of Decision:</p> <ul style="list-style-type: none"> • That the Covid-19 Local Restrictions Support Policy 2020/21 is approved, as set out at <i>Appendix A</i> of the report with immediate effect. (Option 1) • The S151 Officer is authorised to make amendment to the Local Restrictions Support Policy 2020/21 to accommodate evolving guidance and any technical FAQ's in relation to these schemes, and to make all other necessary arrangements for its implementation with immediate effect. 	
<p>Reasons for the decision:</p> <p>In response to the ongoing Covid-19 crisis, the Government announced there would be further funding to support businesses that are required to close, or have been severely impacted by the imposition of localised and national restrictions.</p> <p>The Local Restrictions Support Policy 2020/21 takes the form of a number of Local Restriction Support Grant ("LRSG") funding schemes, set up to support local businesses during national lockdown (5 November to 2 December 2020), and to support businesses primarily in the hospitality, accommodation and leisure sector during periods of local restrictions imposed on the local area from 22nd September 2020 when Local Covid Alert Level (LCAL) Tier 2 restrictions were imposed and from 17th October 2020 when LCAL Tier 3 restrictions were imposed.</p> <p>The Chair of Overview & Scrutiny has been consulted and agreed that the decisions within the report are urgent, and as such has waived the "Call-in" period.</p>	
<p>IS THE DECISION URGENT: YES</p> <p>PLEASE DELETE AS APPROPRIATE AND GIVE REASONS FOR URGENCY BELOW: THE SCHEME IS DEVELOPED IN RESPONSE TO THE COVID-19 PANDEMIC AND IS AVAILABLE TO BUSINESSES THAT MEET THE ELIGIBILITY CRITERIA ON OR AFTER 22 SEPTEMBER 2020.</p> <p>THE COUNCIL IS OBLIGED TO HAVE ARRANGEMENTS IN PLACE AND MAKE GRANT PAYMENTS AT THE EARLIEST OPPORTUNITY FOLLOWING THE ISSUE OF GOVERNMENT GUIDANCE.</p>	
<p>I CONFIRM THAT I HAVE BEEN CONSULTED ON THE ABOVE DECISION AND THAT IT IS URGENT AND REASONABLE IN ALL THE CIRCUMSTANCES. (IN ACCORDANCE WITH SECTION 17 OF THE OVERVIEW & SCRUTINY PROCEDURE RULES)</p> <p>SIGNATURE OF THE OVERVIEW & SCRUTINY CHAIRMAN: CLLR TRICIA HEATH</p>	
<p>I confirm that I have taken account of the options proposed by officers, the various implications set out in the report and the comments of the Monitoring and Section 151 Officers and am authorising the decision as set out above.</p>	



Promoting City, Coast & Countryside

SIGNATURE OF DECISION TAKERS:

CLLR E LEWIS
 CLLR T HAMILTON-COX
 CLLR A WHITEHEAD

DATE: 9.12.20

THIS SECTION TO BE COMPLETED BY DEMOCRATIC SERVICES

REF NO.

ICMD8

DATE DECISION TAKEN:

9.12.20

DATE DECISION PUBLISHED:

9.12.20

**IMPLEMENTATION DATE
 (publication day + 5
 working days):**

Immediate – call-in has been waived

Lancaster City Council | Report Cover Sheet

Meeting	Individual Cabinet Member Decision	Date	26 th November 2020		
Title	Covid -19 Local Restrictions Support Policy 2020/21				
Report of	Head of Shared Service				
Purpose of the Report					
<p>This report seeks approval to implement a Covid-19 Local Restrictions Support Policy 2020/21, which encompasses both statutory and discretionary grant schemes, setting out the main criteria to determine eligibility, and outlines the approach the Council will take in determining whether an award should be paid.</p>					
Key Decision (Y/N)	N	Date of Notice		Exempt (Y/N)	N

Report Summary

In response to the ongoing Covid-19 crisis, the Government announced there would be further funding to support businesses that are required to close, or have been severely impacted by the imposition of localised and national restrictions.

Support will take the form of a number of Local Restriction Support Grant (“LRSG”) funding schemes in 2020/21 to support local businesses during national lockdown (5 November 2020 to 2 December 2020), and to support businesses primarily in the hospitality, accommodation and leisure sector during periods of local restrictions imposed on the local area from 22nd September 2020 when Local Covid Alert Level (LCAL) Tier 2 restrictions were imposed and from 17th October 2020 when LCAL Tier 3 restrictions were imposed.

The LRSG schemes are:

Local Restrictions - Statutory:

- Scheme 1 - Local Restrictions Support Grant (Closed)
- Scheme 2 - Local Restrictions Support Grant (Closed) Addendum

Local Restrictions - Discretionary:

- Scheme 3 - Local Restriction Support Grant (Open)
- Scheme 4 - Additional Restrictions Grant

National Restrictions – Statutory:

- Scheme 5 – Local Restriction Support Grant (Sector)

The Covid-19 Local Restrictions Support Policy 2020/21 is attached at **Appendix A**.

Recommendations of Councillors Lewis, Hamilton-Cox & Whitehead:

- (1) That the Covid-19 Local Restrictions Support Policy 2020/21 be considered and approved, as set out at *Appendix A*, to take immediate effect. (Option 1)
- (2) That the S151 Officer be authorised to make amendment to the Local Restrictions Support Policy 2020/21 to accommodate evolving guidance and any technical FAQ's in relation to these schemes, and to make all other necessary arrangements for its implementation with immediate effect.

Relationship to Policy Framework

The report is in response to recent Government measures introduced to support local businesses hit hardest by the local lockdown imposed to arrest the rapid rise in Coronavirus Covid-19 cases. The policy complements the Council's own plans to develop local support packages to combat the pressure businesses face at this present time.

Conclusion of Impact Assessment(s), where applicable

Climate	Wellbeing & Social Value
Digital	Health & Safety
Equality	Community Safety

With effect from Saturday 17th October 2020, Lancashire, including Lancaster was placed in the highest tier LCAL Very High Tier 3 of the Governments new 3 Tier Lockdown system, in an attempt to combat increased infection rates. This meant that all pubs and bars were instructed to close, unless they were serving substantial meals, together with casinos, bingo halls, bookmakers, betting shops, soft play areas and adult gaming centres, with an additional ban imposed on car boot sales in the area.

Prior to that date, from 22nd September 2020, Lancaster was considered to be in LCAL High Tier 2 for grant purposes, resulting in support available to those businesses with a rateable value, operating in the hospitality, accommodation and leisure sector that were severely impacted as a result of the local restrictions,

Lancaster was then placed into national lockdown with effect from 5th November 2020 for a period of 28 days with the imposition of binding national restrictions affecting all businesses other than those considered essential.

The Local Restrictions Support Policy 2020/21, developed in line with Government Guidance, demonstrates the Council's commitment to continue to support those businesses suffering most as a result of this latest lockdown.

An Equality Impact Assessment is attached at *Appendix B*.

Details of Consultation

There is no formal requirement for consultation as the Council is obliged to follow Government Guidance. However, the policy has been drafted following consultation with other Lancashire authorities and relevant professional bodies (IRRV).

Legal Implications

The Council is required to follow the “Local Restrictions Support Grants (“LRSG”) and Additional Restrictions Grant (“ARG”) Guidance for Local Authorities” issued by the Government, in respect of each of the grant schemes set out above. The Council must also undertake work to provide assurance that the grants that have been paid out are in line with eligibility conditions for the particular scheme.

Further, the Council 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. Grant payments made can be provided under the existing De Minimis rules, provided doing so does not exceed the €200,000 threshold. Grant payments made where the De Minimis threshold has been reached should be paid under the Covid-19 Temporary Framework for UK Authorities (threshold €800,000). Any business that has reached the limits of payment under the De Minimis rules and the UK Covid-19 Temporary State Aid Framework will not be able to receive the grant funding. The United Kingdom left the EU on 31st January 2020, nonetheless under the withdrawal Agreement the State Aid rules continue to apply during the transition period.

Whilst there is no statutory review process, the Council will operate an internal review process in respect of each scheme set out in the Covid-19 Local Restrictions Support Policy 2020/21 where an applicant requests the Council to review its decision of an application. A review of the decision will be considered independently by the Council’s S151 Officer. Any requests for a review must be made in writing within 14 days of the Council’s decision and give reasons why the applicant is aggrieved.

This report requires an urgent decision because the Government expects that local authorities will have their arrangements for the delivery of the Schemes in place and payment made at the earliest opportunity. The Council has already started to make grant payments under statutory schemes therefore the policy needs to be in place to assist officers in their decision making. Grant payments have not yet been made for discretionary schemes and it is essential to obtain policy approval to start this payment process with immediate effect. As such, under Special Urgency provisions the Chair of the Overview and Scrutiny Committee has agreed that the decision is urgent and cannot reasonably be delayed. The decision will be reported to a meeting of the Council and the call-in provision will not apply to the decision.

Financial Implications

The Council has been allocated funding from the Department for Business, Energy and Industrial Strategy (BEIS) to make grant payments under the statutory schemes. Expenditure will be re-imbursed using grants under Section 31 of the Local Government Act 2003. It is not expected that the introduction of this new policy will incur additional expenditure. However, if awards are made outside the framework of Government Guidelines, the Council runs the risk of incurring additional expenditure in these specific cases.

A grant of £1.090m has been received from the BEIS to fund the discretionary Local Restrictions Support Grant (Open). This amount has been calculated using Valuation Office Agency (VOA) data on the number of hospitality, accommodation and leisure businesses within the local authority area and covers the period from 22nd September to 4th November. BEIS have indicated that further funding will be paid to the Council for periods after national lockdown, for as long as the Council remains in or above the Tier 2 classification. The Council must ensure that businesses meet the specified criteria, and timely monitoring is required to the BEIS.

The Council has received £2.920m to finance the discretionary Additional Restrictions Grant scheme. This is distributed as part of the £30m funding settlement made available to Lancashire authorities when placed into LCAL Tier 3 restrictions from the 17th October 2020. The grant is ring-fenced for business support only, and all monies must be allocated by 31st March 2022. Timely monitoring information is required to the BEIS.

The Council has received total grant funding of £2.860m for the Local Restrictions Support Grant (Closed) Addendum and the Local Restrictions Support (Sector) schemes. The funding is to be used only for expenditure on these two schemes, and any unspent grant monies must be repaid to the Government. Timely monitoring information is required to the BEIS.

We are awaiting notification of the grant funding that will be available for payments made to businesses under the Local Restrictions Support Grant (Closed) scheme.

Other Resource or Risk Implications

The scheme will be implemented within existing resources.

Section 151 Officer's Comments

The S151 Officer has contributed to this report.

Monitoring Officer's Comments

The Monitoring Officer has been consulted and has no further comments.

Contact Officer	Adrian Robinson (Head of Shared Service)
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Links to Background Papers

- BEIS Guidance note: Local Restrictions Support Grant – Guidance for Local Authorities
<https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities>

1 Background Information

- 1.1 The Covid-19 Local Restrictions Support Policy 2020/21 supports businesses that were open as usual, providing services in person to customers, but which have had to close due to local or national restrictions imposed by Government. At the same time it covers specific business sectors in the local economy where businesses were not required to close but were severely impacted by Local Covid Alert Level ("LCAL") "High" restrictions (Tier 2) from 22nd September and "Very High" restrictions (Tier 3) from 17th October, or by the "National Lockdown" from 5 November 2020.
- 1.2 Following the Prime Minister's announcement on Saturday 31st October 2020, support takes the form of a number of new grant funding schemes introduced for the financial year 2020/21 which offer financial assistance to businesses in the local area. The timeline as it affects Lancaster, in relation to lockdown and the application of local restriction grants is as follows:

1.2.1 22nd September 2020 – 16th October 2020 (Local lockdown - Tier 2 restrictions)

- Local Restrictions Support Grant (Open)
(in relation to the Tier 2 Discretionary Scheme)

The Local Restrictions Support Grant (Open) is a discretionary grant scheme, with Government expecting funding to be targeted at recognised **hospitality, hotel, bed and breakfast and leisure businesses with a rateable value**, in the hope that it can help kickstart recovery by supporting sustainable businesses that have not been legally required to close but which are severely impacted by LCAL Tier 2 restrictions.

The Government have provided indicative grant values for this scheme and they are:

- For properties with a rateable value of £15k or under, grants of up to £934 per 28 day period;
- For properties with a rateable value of over £15k and below £51k, grants of up to £1,400 per 28 day period;
- For properties with a rateable value of £51k or over, grants of up to £2,100 per 28 day period;

For discretionary grant purposes, a definition of the Hospitality, Accommodation and Leisure sector is provided under **Appendix C** in line with Government direction. Whilst not considered a definitive list, it will be used as a guide for decision making purposes.

1.2.2 17th October 2020 – 4th November 2020 (local lockdown – Tier 3 and Tier 2 restrictions)

- Local Restrictions Support Grant (Closed)
(in relation to the Tier 3 Statutory Scheme)
- Additional Restrictions Grant
(in relation to the Tier 3 Discretionary Scheme)
- Local Restrictions Support Grant (Open)
(in relation to the Tier 2 or Tier 3 Discretionary Scheme)

Local Restrictions Support Grant (Closed) is a mandatory grant for businesses that have an entry on the Rating List (RV) in a local area where a localised restriction has been imposed, requiring specific types of businesses to close. In Lancaster, LCAL Very High Tier 3 restrictions were imposed, effective from 17th October 2020.

Grants are to be paid by the Council in 2 week tranches and businesses will need to be closed for the full 2 weeks of each tranche to qualify for payment. If a business is open and then decides to close they will only become eligible for a grant when they enter the next 14 day payment cycle. However, the first payment for businesses closing on 17/19 October will equate to 19 days, including a pro-rata payment up to national lockdown.

The grant amount is fixed. Businesses with more than one qualifying property will receive more than one grant. The rate of payments for eligible businesses are:

- For properties with a rateable value of £15k or under, grants to be £667 per 14 day qualifying restriction period;

- For properties with a rateable value of over £15k and below £51k, grants to be £1,000 per 14 day qualifying restriction period;
- For properties with a rateable value of £51k or over, grants to be £1,500 per 14 day qualifying restriction period;

Eligible businesses are listed as:

- Pubs and bars (unless serving alcohol with substantial meals)
- Adult Gaming Centres
- Casinos
- Bingo Halls
- Bookmakers and Betting Shops
- Soft Play areas
- Car Boot Sales (and second hand goods markets)

Additional Restrictions Grant is a discretionary grant and available at the point the Council first entered LCAL Tier 3 restrictions (17th October 2020).

The grant will support those businesses without a rateable value, which, whilst not legally forced to close, are nonetheless severely impacted by the LCAL Tier 3 restrictions put in place by the Government to control the spread of coronavirus. The grant scheme may be reviewed after an initial period of operation, to consider the inclusion of businesses with a rateable value.

Local Restrictions Support Grant (Open) is a discretionary grant and can continue to be paid to hospitality, hotel, bed and breakfast and leisure businesses with a rateable value in the local economy that continue to be severely impacted under Tier 2 or Tier 3 restrictions for the period up to national lockdown.

1.2.3 **1st November 2020 – 4th November 2020 (national closures unable to open)**

- Local Restrictions Support Grant (Sector)
(in relation to the national closure Statutory Scheme)

In addition to local restrictions a statutory scheme has been introduced to cover eligible businesses subject to national closures since 23 March 2020, and for any business type which may be closed on a national basis in the future.

Funding is supplied at the same rate as LRSG (Closed) and a pro-rata payment will be provided for the short period 1st to 4th November 2020.

Eligible businesses are listed as nightclubs, dance halls and discotheques, sexual entertainment venues and hostess bars.

1.2.4 **5th November 2020 – 2nd December 2020 (national lockdown)**

- Local Restrictions Support Grant (Closed) Addendum
(in relation to the National Lockdown Statutory Scheme)
- Additional Restrictions Grant
(in relation to the National Lockdown Discretionary Scheme)

The Local Restrictions Support Grant (Closed) Addendum is mandatory and will cover legally binding restrictions imposed on all local authority areas in England in response to the threat posed by coronavirus. When national restrictions are imposed and a significant number of businesses are mandated to close, then Local Restrictions Support Grant (Open) and (Sector) will cease to apply and the Local Restrictions Support Grant (Closed) will be superseded by the conditions set out in the Local Restrictions support Grant (Closed) Addendum.

The payment cycle will automatically move from a 14 day payment cycle to a 28 day payment cycle under the original rateable value thresholds, paid up front rather than in arrears. As such, the rate of payment for eligible businesses is:

- For properties with a rateable value of £15k or under, grants to be £1,334 per 28 day qualifying restriction period;
- For properties with a rateable value of over £15k and below £51k, grants to be £2,000 per 28 day qualifying restriction period;
- For properties with a rateable value of £51k or over, grants to be £3,000 per 28 day qualifying restriction period;

Businesses that are eligible are those that have been mandated to close by Government and include non-essential retail, leisure, personal care, sports facilities and hospitality businesses.

Additional Restrictions Grant will expand its footprint, providing support to those businesses with a rateable value which have been severely impacted by the national lockdown restrictions, together with those businesses not on the rating list that have been forced to close and/or have been severely impacted by the national restrictions put in place to control the spread of coronavirus.

For the businesses with a rateable value grants will be determined by the rateable value and will match across to the LRSG (Open). The frequency of payment will be every 28 days and will be

- For properties with a rateable value of £15k or under, grants of up to £934 per 28 day period;
- For properties with a rateable value of over £15k and below £51k, grants of up to £1,400 per 28 day period;
- For properties with a rateable value of £51k or over, grants of up to £2,100 per 28 day period;

During national lockdown this sum will be paid upon application and not at the end of the lockdown period.

For grants to businesses without a rateable value, grants will be determined by the level of fixed costs faced by the business; and the scale of Covid-19 financial losses. The frequency of payment will be two-weekly and the rate of payment for eligible businesses will be:

- If your business has fixed business costs of £1,000-£3,000 per annum, you will receive a grant of £125 per complete two week period
- If your business has fixed business costs of £3,001-£6,000 per annum, you will receive a grant of £250 per complete two week period

- If your business has fixed business costs of £6,001-£15,000 per annum, you will receive a grant of £450 per complete two week period
- If your business has fixed business costs of £15,001 - £30,000 per annum, you will receive a grant of £700 per complete two week period
- If your business has fixed business costs of £30,001 - £50,999 per annum, you will receive a grant of £875 per complete two week period
- If your business has fixed business costs of £51,000 + per annum, you will receive a grant of £1,050 per complete two week period

However, for non-rateable value businesses during the national lockdown period a lump sum equating to either four or approx. six weeks will be paid, depending upon when the closure/severe impact commenced (17 October 2020 or 5 November 2020).

Whilst its envisaged the funding will be primarily be used to finance discretionary grants the Council may allocate funding towards wider business support activities ie. a contribution towards Covid control measures in a particular business sector.

Given the imposition of widespread national lockdown restrictions at this time, the **Local Restrictions Support Grant (Open)** will cease to apply during this period as relevant businesses will receive funding from the Local Restrictions Support Grant (Closed) Addendum or the Additional Restrictions Grant.

1.2.5 **3rd December 2020 onwards (localised restrictions – Tier 2 or Tier 3)**

- Local Restrictions Support Grant (Open)
(in relation to the Tier 2 Discretionary Scheme)
- Local Restrictions Support Grant (Closed)
(in relation to the Tier 3 Statutory Scheme)
- Additional Restrictions Grant
(in relation to the Tier 3 Discretionary Scheme)

At the end of the national lockdown period the Council will revert to its Discretionary Grant scheme, dependent upon which “tier” it is placed in at the time of transfer.

1.3 The Government has provided guidance in terms of the operation and delivery of any policy, to support local authorities in administering their schemes and the Guidance Notes covering the range of local restriction grants are provided on the following link: <https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities>

1.4 In line with eligibility criteria set out in the guidance, the Government, will re-imburse local authorities that make grant payments to eligible businesses, using a grant under Section 31 of the Local Government Act 2003.

2 PROPOSAL DETAILS

2.1 Drawing on Government Guidance and local knowledge, **Appendix A** sets out the Covid-19 Local Restrictions Support Policy to provide much needed support to businesses in the area, instructed to close or, that remained open but were severely impacted as a result of the imposition of local or national restrictions.

3.0 Options and Options Analysis (including risk assessment)

<p>Option 1:</p> <p>To approve the Covid-19 Local Restrictions Support Policy as set out in Appendix A</p>
<p>Advantages:</p> <p>The policy sets out a formal approach to distributing available funds in line with government guidance and provides a consistent approach for dealing with applications. The approach adopted seeks to maximise the use of available grants in an open and equitable way, and that being the case risks associated with any challenge are considered small and manageable.</p>
<p>Disadvantages:</p> <p>None identified in following Government instructions</p>
<p>Risks:</p> <p>Risk of overspend in relation to the Discretionary Schemes</p>
<p>Option 2:</p> <p>Suggested amendments to the Covid-19 Local Restrictions Support Policy</p>
<p>Advantages:</p>
<p>Disadvantages:</p> <p>Any amendments would need to have regard to Government guidance, and the Council must allow extra time for re-consideration of an amended policy.</p>
<p>Risks:</p> <p>A more advantageous scheme would run the financial risk of an overspend in relation to discretionary schemes.</p>

4. Officer Preferred Option (and comments)

4.1 The officer preferred option is Option (1), enabling a formal approach to decision making, with criteria determined in line with specific Government guidance and the Discretionary Scheme developed in consultation with other local authorities, representatives from the relevant professional body (IRRV), and based upon knowledge of the local area and its business community.



LANCASTER CITY COUNCIL

COVID-19 LOCAL RESTRICTIONS SUPPORT POLICY

2020/21

Equality Impact Assessment**Section 1: Details**

Service	Corporate
Title and brief description (if required)	Covid-19 Local Restrictions Support Policy
New or existing	New
Author/officer lead	Adrian Robinson (Chief Officer – Revenues & Benefits) / Head of Shared Service
Date	18 th November 2020

Does this affect staff, customers or other members of the public?

Yes, the business community in the local authority area

Section 2: Summary**What is the purpose, aims and objectives?**

The purpose of the policy is to determine eligibility and the process for distributing funds under new Business Grant schemes to businesses within the local authority area that have been forced to close as a result of a Government imposed local and national restrictions, in an attempt to control those affected under Coronavirus Covid-19.

Who is intended to benefit and how?

The policy affects businesses as a whole across the local authority area, but more specifically those businesses instructed to stop trading following a local lockdown imposed by Government on Saturday 17th October 2020 and the wider impact of national lockdown from 5th November 2020. It also provides support to those businesses in the hospitality, accommodation and leisure sector severely impacted as a result of local restrictions imposed from 22nd September 2020.

Small closed businesses with a rateable value of or below £15,000 can claim £1,334 per month; whilst medium sized businesses with a rateable value between £15,000 and £51,000 can claim £2,000 per month; and larger businesses can claim £3,000 per month. The Government has now extended the scheme to include businesses which have been forced to close on a national rather than a local basis (eg. Nightclubs).

The Council will target occupied businesses in the area that are considered eligible for grant, and introduce discretionary schemes at the same time in recognition that many may be facing an uncertain future and difficulty as a result of the local and national lockdown.

Section 3: Assessing impact

Is there any potential or evidence that this will or could:		
• Affect people from any protected group differently to others?		No
• Discriminate unlawfully against any protected group?		No
• Affect the relations between protected groups and others?		No
• Encourage protected groups to participate in activities if participation is disproportionately low (won't always be applicable)?		No
• Prevent the Council from achieving the aims of its' Equality and Diversity Policy?		No

If yes, please provide more detail of potential impact and evidence including:	
<ul style="list-style-type: none"> - A brief description of what information you have and from where eg. getting to know our communities data, service use monitoring, views of those affected ie discussions or consultation results? - What does this tell you ie negative or positive affect? 	
Age (including older and younger people and children)	No other evidence or expectation of any specific impact.
Disability	No evidence or expectation of any specific impact.
Faith, religion or belief	No evidence or expectation of any specific impact.
Gender (including marriage, pregnancy and maternity)	No evidence or expectation of any specific impact.
Gender reassignment	No evidence or expectation of any specific impact.
Race	No evidence or expectation of any specific impact.
Sexual orientation (Including Civic Partnership)	No evidence or expectation of any specific impact.
Rural communities	Businesses in rural communities treated in the same way as all other businesses and will benefit in the same way. Therefore no evidence or expectation of any specific impact.

People on low incomes	The Local Restrictions Support Policy has been designed in line with relevant Government Guidance, to provide support for businesses in the area that have suffered significant impact as a result of the restrictions. Some of the business occupiers may be linked to low income households.
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Section 4: Next steps

Do you need any more information/evidence eg statistics, consultation? If so, how do you plan to address this?

No.

How have you taken/will you take the potential impact and evidence into account?

The proposed scheme uses Government guidance to target occupied properties with effect from 22nd September 2020, initially in the hospitality, accommodation and leisure sector, together with other businesses from LCAL Very High Tier 3 (17th October 2020) that do not pay rates but have been severely impacted by the restrictions.

Eligible properties will be asked to complete an application form, including the supply of bank details, in order to speed up the payment process.

How do you plan to monitor the impact and effectiveness of this change or decision?

Through grant take-up statistics, feedback, member comment etc.

Hospitality:

Drive-In Restaurants
Drive-Thru Restaurants
Food Courts
Night Clubs & Discotheques
Public Houses/Pub Restaurants (National Scheme)
Public Houses/Pub Restaurants (Inc. Lodge) (National Scheme)
Restaurants
Roadside Restaurants (National Scheme)
Wine Bars
Cafes
Takeaway Food Outlet (Predominantly Off Premises)
Cafes/Restaurants Within/Part of Specialist Property

Hotels/B&Bs:

Caravan Parks (Leisure) (National Scheme)
Caravan Sites and Pitches (National Scheme)
Chalet Parks (National Scheme)
Coaching Inns
Country House Hotels
Guest & Boarding Houses
Hostels

Leisure:

Bingo Halls (National Scheme)
Bowling Alleys
Casinos and Gambling Clubs
Cinemas (National Scheme)
Clubhouses
Clubs & Institutions
Ice Rinks
Museums and Art Galleries (Contractors)
Museums and Art Galleries (Non-Contractors)
Roller Skating Rings
Stately Homes & Historic Houses (National Scheme)
Theatres (National Scheme)
Zoos & Safari Parks
Amusement parks
Arenas
Concert Halls (National Scheme)
Go kart rinks
Model villages
Tourist attractions
Aquaria
Miniature railways
Theme parks
Village Halls Scout Huts Cadet Huts etc
Amusement arcades
Royal Palaces
Pleasure Piers



Lancaster City Council Additional Restrictions Grants (ARG) Scheme

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Definitions

The following definitions are used within this document:

‘Additional Restrictions Grant (ARG)’ means the additional funding provided by Government. Funding will be made available to eligible Local Authorities at the point that national restrictions are imposed or at the point the Local Authority first entered LCAL 3 local restrictions;

‘COVID-19’ (coronavirus); means the infectious disease caused by the most recently discovered coronavirus;

‘Department for Business, Energy & Industrial Strategy (BEIS)’; means the Government department responsible for the scheme and guidance;

‘Effective date’; means, for eligibility of the grant, the date of the local restrictions or the date of widespread national restrictions. For the purpose of this scheme the date cannot be before 14th October 2020;

‘Hereditament(s); means the assessment defined within Section 64 of the Local Government Finance Act 1988;

‘Local Covid Alert Level’ (LCAL) means the level of alert determined by Government and Local Authorities for the area. LCALs have three Tiers. Tier 1 (Medium): Tier 2 (High) and Tier 3 (Very High). For the purposes of these schemes the definitions used are LCAL1, LCAL2 and LCAL3.

‘Local lockdown’; means the same as **‘Local restrictions’**;

‘Local rating list’; means the list as defined by Section 41 of the Local Government Finance Act 1988

‘Local restrictions’; and **‘Localised restrictions’** means legally binding restrictions imposed on specific Local Authority areas or multiple Local Authority areas, where the Secretary of State for Health and Social Care requires the closure of businesses in a local area under regulations made using powers in Part 2A of the Public Health (Control of Disease) Act 1984 in response to the threat posed by coronavirus and commonly as part of a wider set of measures;

‘Local Restrictions Support Grant Scheme (Closed); means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 9th September 2020 and amended on 9th October 2020 and which is applicable to businesses forced to close under either LCAL3 or where national restrictions are in place;

‘Local Restrictions Support Grant Scheme (Closed) Addendum; means the changes made to the Local Restrictions Support Grant Scheme (Closed) due to widespread nationwide restrictions;

‘Ratepayer’; means the person who, according to the Council’s records, was the ratepayer liable for occupied rates in respect of the hereditament at the date of the local restrictions or widespread national restrictions;

‘State Aid Framework’; means the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020; and

‘Temporary Framework for State aid’; means the same as the **‘State Aid Framework’**.

1.0 Purpose of the Scheme and background.

- 1.1 The purpose of this document is to determine eligibility for a payment under the Council's Additional Restrictions Grant Scheme (ARG). The Council, as the Business Rates Billing Authority is responsible for payment of these grants.
- 1.2 This discretionary grant scheme has been developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 31st October 2020 which sets out the basic circumstances whereby an additional restriction grant payment may be made by the Council to a business which has to close or are severely affected due to localised or widespread national restrictions being put in place to manage coronavirus and save lives.
- 1.3 Whilst the awarding of grants will largely be at the Council's discretion, the Department for Business, Energy & Industrial Strategy (BEIS) has set down criteria which **must** be met by each business making an application.
- 1.4 The scheme applies where local restrictions (LCAL3) are put in place **or** where a widespread national lockdown is announced.
- 1.5 Localised restrictions are legally binding restrictions imposed on specific Local Authority areas or multiple Local Authority areas, where the Secretary of State for Health and Social Care requires the closure of businesses in a local area under regulations made using powers in Part 2A of the Public Health (Control of Disease) Act 1984 in response to the threat posed by coronavirus and commonly as part of a wider set of measures.
- 1.6 National restrictions are nationally binding widespread restrictions imposed by Parliament under legislation. The current national restrictions are made under the Health Protection (Coronavirus, Restrictions) (England) (No. 4) Regulations 2020.
- 1.7 Grants under this scheme are available for the 2020/21 and 2021/22 financial years only.
- 1.8 No grant shall be paid for any period where the localised or widespread national restrictions were in place prior to 14th October 2020.
- 1.9 Where any area enters either a localised restriction (LCAL3) or where a national restriction applies, additional assistance may be given to businesses under the Council's Local Restrictions Support Grants (Closed) Scheme (as amended).

2.0 Funding

- 2.1 Under the Additional Restrictions Grant Scheme (ARG) provisions, Local Authorities will receive a one-off lump sum payment amounting to £20 per head in each area when local restrictions (LCAL3) or widespread national restrictions are imposed. In some cases, Combined Authorities will receive the funding when a group of Local Authorities enter LCAL Very High restrictions at the same time and agree to a package of support together. In these cases, the Combined Authority will be subject to the same conditions and obligations under this guidance as Local Authorities.

- 2.2 Once the Council's area is removed from local restrictions (LCAL3) or widespread national restrictions, no additional funding will be received from Government even if either the local restrictions or widespread national restrictions are re-instated.

3.0 Eligibility criteria and awards

- 3.1 The Council is able to use this funding for business support activities and Government envisage that this will primarily take the form of discretionary grants although it can be used for wider business support activities.
- 3.2 If Local Authorities use the Additional Restriction Grant for direct business support grants, Government has stated that the same conditions of grant **must** apply as for the Local Restrictions Support Grant (Closed) scheme. However, the Council will have the discretion to alter the amount of funding offered to individual businesses and the frequency of payment.
- 3.3 Government has stated that the Council *may* also consider making grant payments to those businesses which, while not legally forced to close are nonetheless severely impacted by the restrictions put in place to control the spread of Covid-19. Government has also stated that the Council may also wish to assist business which are outside of the rating system and which are effectively forced to close.

Eligibility Criteria

- 3.4 For the purposes of this scheme the Council has decided that there will be two separate grant strands – one for businesses with a rateable value and one for businesses without a rateable value.
- 3.5 For businesses without a rateable value the following eligibility criteria must be met in order to receive an Additional Restriction Grant. The business:
- (a) Was open and trading up to the date that the restrictions that severely impacted the business came into force;
 - (b) Does not have a rateable value (It should be noted that businesses that are in receipt of rate relief **do** have a rateable value);
 - (c) Has fixed business related costs that are unavoidable and need to be paid, given the impact of additional restrictions of LCAL3 or widespread national restrictions;
 - (d) Has been severely impacted or closed as a consequence of the additional restrictions imposed by the move to LCAL3 or widespread national restrictions
 - (e) Is a Medium, Small or Micro business according to the Companies Act of 2006.
- 3.6 Examples of fixed business-related costs include rent, business mortgage, insurance, utilities, phone contract, ongoing maintenance contracts, franchise payments, vehicle costs, professional body memberships, subscription licences (including ICT software), equipment maintenance and loan repayments. Domestic payments (e.g. mortgage, utilities, insurance, phone charges) where the home-based business pays a share of a domestic bill are not be allowed.

- 3.7** Eligibility is not affected if businesses have accessed the Furlough Scheme, Job Support Scheme, the Kick Start scheme or is receiving any funds or support relating to re-opening or trading safely, new business services or products or new trading arrangements, including digital
- 3.8** For the purposes of the non-rateable value scheme, the business will not be eligible if:
- it has been able to continue to operate during the lockdown because it does not depend on providing direct 'in-person' services from its premises;
 - it has chosen to close without being severely impacted by the additional LCAL3 or widespread national restrictions;
 - it has a rateable value;
 - the business owner is eligible for the Self Employment Income Support Scheme;
- 3.9** For businesses with a rateable value the following eligibility criteria must be met in order to receive an additional restriction grant. The business:
- occupies property on which it pays business rates to Lancaster City Council (if you are in receipt of business rates relief you are also eligible)
 - was trading up to the date that the restrictions that have severely impacted your business came into force - fully constituted businesses not in liquidation, dissolved or subject to a striking off notice are eligible and deemed to be trading
- 3.10** For the purposes of the rateable value scheme, the business will not be eligible if:
- has not been financially severely impacted because it has been able to continue to operate during the local restrictions or national lockdown because it does not depend on providing direct in-person services from its premises
 - it has been forced to close by government mandate – these businesses should apply to LRS (Closed)
 - was not a ratepayer in the business rates system upon the date that the business entered the relevant Local or National Restrictions Grant Scheme are ineligible

Award Levels

- 3.11** The council has decided the following grant award levels for the non-rateable value scheme:
- If your business is eligible and has fixed business costs of £1,000-£3,000 per annum, you will receive a grant of £125 per complete two-week period;
 - If your business is eligible and has fixed business costs of £3,001-£6,000 per annum, you will receive a grant of £250 per complete two-week period;
 - If your business is eligible and has fixed business costs of £6,001-£15,000 per annum, you will receive a grant of £450 per complete two-week period;
 - If your business is eligible and has fixed business costs of £15,001 - £30,000 per annum, you will receive a grant of £700 per complete two-week period; and
 - If your business is eligible and has fixed business costs of £30,001 - £50,999 per annum, you will receive a grant of £875 per complete two week period
 - If your business is eligible and has fixed business costs of £51,000 + per annum, you will receive a grant of £1,050 per complete two-week period.
- 3.12** Business owners who have more than one business may make an application for each business. The aim is to pay successful applications within five working days upon receipt of a valid application.

- 3.13 The Council reserves the right to change the qualifying criteria upon review if it feels it is appropriate to do so, reflecting changing circumstances and demand on funds.
- 3.14 For the rateable value scheme the Council has decided to match payments to the level of the government LRSG (Open) scheme.
- 3.15 Businesses will be able to make an application for each eligible hereditament

Excluded businesses - both local and national restrictions

- 3.16 The following businesses will **not** be eligible for an award:
 - (a) Businesses in areas outside the scope of the localised restrictions, as defined by Government and not subject to a widespread national restriction;
 - (b) Businesses that have chosen to close but not been required to, will not be eligible;
 - (c) Businesses which have already received grant payments that equal the maximum levels of State aid permitted under the de minimis and the COVID-19 Temporary State Aid Framework; and
 - (d) Businesses that were in administration, are insolvent or where a striking-off notice has been made at the date of the local restriction or widespread national restriction.

The Effective Date

- 3.17 The effective date for eligibility is the date of the widespread national or local restrictions (LCAL3). Businesses **must** have been trading on the first full day of national or LCAL3 restrictions to be eligible to receive grant support. Fully constituted businesses not in liquidation, dissolved or subject to a striking off notice are eligible and deemed to be trading

Who can receive the grant?

- 3.18 In **all** cases, Government has stated that the person who will receive the grant will be the person who, according to the Council's records, was the ratepayer in respect of the hereditament or business owner in respect of the non-rateable value scheme at the effective date.
- 3.19 Where the Council has reason to believe that the information it holds about the ratepayer or business owner at the effective date is inaccurate, it may withhold or recover the grant and take reasonable steps to identify the correct ratepayer or business owner.
- 3.20 Where, it is subsequently determined that the records held are incorrect, the Council reserves the right to recover any grant incorrectly paid.
- 3.21 Where any business misrepresents information or contrives to take advantage of the scheme, the Council will look to recover any grant paid and take appropriate legal action. Likewise, if any ratepayer is found to have falsified records in order to obtain a grant.
- 3.22 Where there is no entry in the rating list for the business, the Council will have discretion to determine who should receive the grant.

4.0 How will grants be provided to Businesses?

- 4.1 The Council is fully aware of the importance of these grants to assist businesses and support the local community and economy. The Council's Additional Restrictions Grant (ARG) scheme together with the Local Restrictions Support Grant (Closed) will offer a lifeline to businesses who are struggling to survive during to the COVID-19 crisis.
- 4.2 Details of how to obtain grant are available on the Council's website:
www.lancaster.gov.uk/lrsg
- 4.3 In all cases, businesses will be required to confirm that they are eligible to receive the grants. This includes circumstances where the Council already has bank details for the business and are in a position to send out funding immediately. Businesses are under an obligation to notify the Council should they no longer meet the eligibility criteria for any additional grants.
- 4.4 The Council reserves the right request any supplementary information from businesses, and they should look to provide this, where requested, as soon as possible.
- 4.5 An application for an Additional Restriction Grant is deemed to have been made when a duly completed application form is received via the Council's online procedure.
- 4.6 All monies paid under this scheme will be funded by Government and paid to the Council under S31 of the Local Government Act 2003.

5.0 EU State Aid requirements

- 5.1 Any grant is given as aid under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020. This means that businesses receiving support under these provisions can receive up to €800,000 in aid over three years (being the current and the previous two years).
- 5.2 Any grant awarded is required to comply with the EU law on State Aid. This will involve the applicant declaring to the Council if they have received any other de minimis State aid or aid provided under the EU Commission COVID-19 Temporary Framework.
- 5.3 If the applicant has not received any other de minimis State aid, they are not required to make that declaration to the Council or to complete any declaration statement.

6.0 Scheme of Delegation

- 6.1 The Council has approved this scheme.
- 6.2 Officers of the Council will administer the scheme and the Section151 Officer is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with Government guidance.

7.0 Notification of Decisions

- 7.1 Applications will be considered on behalf of the Council by the Revenues and Benefits Service.
- 7.2 All decisions made by the Council shall be notified to the applicant either in writing or by email. A decision shall be made as soon as practicable after an application is received.

8.0 Reviews of Decisions

- 8.1 The Council will operate an internal review process and will accept an applicant's request for a review of its decision.
- 8.2 All such requests must be made in writing to the Council within 14 days of the Council's decision and should state the reasons why the applicant is aggrieved with the decision of the Council. New information may be submitted at this stage to support the applicant's appeal.
- 8.3 The application will be reconsidered by the Section 151 Officer, as soon as practicable and the applicant informed in writing or by email of the decision.

9.0 Complaints

- 9.1 The Council's 'Complaints Procedure' (available on the Councils website) will be applied in the event of any complaint received about this scheme.

10.0 Taxation and the provision of information to Her Majesty's Revenues and Customs (HMRC)

- 10.1 The Council has been informed by Government that all payments under the scheme are taxable.
- 10.2 The Council does not accept any responsibility in relation to an applicant's tax liabilities and all applicants should make their own enquiries to establish any tax position.
- 10.3 All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to businesses.

11.0 Managing the risk of fraud

- 11.1 Neither the Council, nor Government will accept deliberate manipulation of the schemes or fraud. Any applicant caught falsifying information to gain grant money or failing to declare entitlement to any of the specified grants will face prosecution and any funding issued will be recovered from them.
- 11.2 Applicants should note that, where a grant is paid by the Council, details of each individual grant may be passed to Government.

12.0 Recovery of amounts incorrectly paid

- 12.1** If it is established that **any** award has been made incorrectly due to error, misrepresentation or incorrect information provided to the Council by an applicant or their representative(s), the Council will look to recover the amount in full.

13.0 Data Protection and use of data

- 13.1** All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available on the Council's website.



Lancaster City Council Local Restrictions Support Grant (Closed) Scheme

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Definitions

The following definitions are used within this document:

‘Additional Restrictions Grant (ARG)’ means the additional funding provided by Government. Funding will be made available to eligible Local Authorities at the point that national restrictions are imposed or at the point the Local Authority first entered LCAL 3 local restrictions;

‘COVID-19’ (coronavirus); means the infectious disease caused by the most recently discovered coronavirus;

‘Department for Business, Energy & Industrial Strategy (BEIS)’; means the Government department responsible for the scheme and guidance;

‘Effective date’; means, for eligibility of the grant, the date of the local restrictions or the date of widespread national restrictions. For the purpose of this scheme the date cannot be before 9th September 2020;

‘Hereditament(s); means the assessment defined within Section 64 of the Local Government Finance Act 1988;

‘In-person services’ means services which are wholly or mainly provided by the business to their customers face to face and which **cannot** be provided by other means such as online or remotely by telephone, email, video link, or written communication;

‘Local Covid Alert Level’ (LCAL) means the level of alert determined by Government and Local Authorities for the area. LCALs have three Tiers. Tier 1 (Medium): Tier 2 (High) and Tier 3 (Very High). For the purposes of these schemes the definitions used are LCAL1, LCAL2 and LCAL3.

‘Local lockdown’; means the same as **‘Local restrictions’;**

‘Local rating list’; means the list as defined by Section 41 of the Local Government Finance Act 1988

‘Local restrictions’; and **‘Localised restrictions’** means legally binding restrictions imposed on specific Local Authority areas or multiple Local Authority areas, where the Secretary of State for Health and Social Care requires the closure of businesses in a local area under regulations made using powers in Part 2A of the Public Health (Control of Disease) Act 1984 in response to the threat posed by coronavirus and commonly as part of a wider set of measures;

‘Local Restrictions Support Grant Scheme (Closed); means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 9th September 2020, amended on 9th October 2020 and which is applicable to businesses forced to close under either LCAL3 or where national restrictions are in place;

‘Local Restrictions Support Grant Scheme (Closed) Addendum; means the changes made to the Local Restrictions Support Grant Scheme (Closed) due to widespread nationwide restrictions;

Local Restrictions Support Grant Scheme (Open); means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 22nd October 2020 and which is applicable to businesses that are still open but severely impacted by the restrictions imposed by LCAL2 and LCAL3;

Local Restrictions Support Grant Scheme (Sector); means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 9th October 2020 (effective from 1st November) and which is applicable to businesses that have been required to close on a national basis since 23rd March 2020 due to restrictions being put in place to manage coronavirus;

'Rateable value'; means the rateable value for the hereditament shown in the Council's local rating list at the date of the local restrictions;

'Ratepayer'; means the person who will receive the grant will be the person who, according to the Council's records, was the ratepayer liable for occupied rates in respect of the hereditament at the date of the local restrictions;

'State Aid Framework'; means the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020; and

'Temporary Framework for State aid'; means the same as the **'State Aid Framework'**.

1.0 Purpose of the Scheme and background.

- 1.1 The purpose of this document is to determine eligibility for a payment under the Council's Local Restrictions Support Grant Scheme (Closed). It also includes details of changes to that scheme where a widespread national lockdown is declared (Local Restrictions Support Grant Scheme (Closed) Addendum).
- 1.2 The grant scheme has been developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 9th September 2020 (and subsequently amended in October 2020 and November 2020) which sets out circumstances whereby a grant payment may be made by the Council to a business which has to close due to localised or widespread national restrictions being put in place to manage coronavirus and save lives.
- 1.3 Whilst the awarding of grants will be the Council's responsibility, the Department for Business, Energy & Industrial Strategy (BEIS) has set down criteria which **must** be met by each business making an application. The Department has also indicated the types of business which should be given the grant.
- 1.4 The scheme applies where local restrictions are put in place **or** where a widespread national lockdown is announced.
- 1.5 Localised restrictions are legally binding restrictions imposed on specific Local Authority areas or multiple Local Authority areas, where the Secretary of State for Health and Social Care requires the closure of businesses in a local area under regulations made using powers in Part 2A of the Public Health (Control of Disease) Act 1984 in response to the threat posed by coronavirus and commonly as part of a wider set of measures.
- 1.6 National restrictions are nationally binding restrictions imposed by Parliament under legislation. The current national restrictions are made under the Health Protection (Coronavirus, Restrictions) (England) (No. 4) Regulations 2020.
- 1.7 Grants under this scheme will be available for the 2020/21 financial year only
- 1.8 No grant shall be paid for any period where the localised restrictions were in place prior to 9th September 2020. Where there is no local restriction, grants shall only be paid where there is a widespread national restriction.
- 1.9 Where any area enters either a localised restriction or where a widespread national restriction applies, additional assistance may be given to businesses under the Council's Additional Restrictions Grant (ARG) Scheme.

2.0 Funding

- 2.1 Local Authorities, subject to local eligibility, will receive funding to meet the cost of payments to businesses within the business rates system based on an assessment of the number of eligible business hereditaments.

3.0 Eligibility criteria and awards

- 3.1 Government, whilst wanting Councils to exercise their local knowledge and discretion, has set national criteria for the funds. In all cases, the Council will only consider businesses for grants where **all** of the criteria are met. Businesses will only be eligible where they are trading **on** the date of the announcement of either the local restriction or widespread national restrictions.
- 3.2 The Department for Business, Energy & Industrial Strategy (BEIS) has stated that businesses that were open as usual and providing **in-person services** to customers from their business premises and then required to close for a consecutive period of no less than 14 days as a result of regulations made under the Public Health (Control of Disease) Act 1984 will be eligible for this funding.
- 3.3 Where there is a widespread national restriction, business premises will be required to close for the entirety of the national restriction period.
- 3.4 Guidance from the Department states that this could include, non-essential retail, leisure, personal care, sports facilities and hospitality businesses that operate primarily as an in-person venue but have been forced to close these services.

Local restrictions awards and frequency of payment

- 3.5 Businesses which are forced to close in a localised restriction (LCAL3) that is implemented for less than two weeks and businesses that are closed for less than two weeks are not eligible for grant funding.
- 3.6 The amount of grant and the frequency of awards in respect of local restrictions are fixed as follows:
- (a) Businesses occupying hereditaments appearing on the local rating list with a rateable value of exactly £15,000 or under on the date of the commencement of the local restrictions will receive a payment of £667 per 14-day qualifying restriction period;
 - (b) Businesses occupying hereditaments with a rateable value of over £15,000 and less than £51,000 will receive a payment of £1,000 per 14-day qualifying restriction period; and
 - (c) Businesses occupying hereditaments with a rateable value of £51,000 or over will receive a payment of £1,500 per 14-day qualifying restriction period.
- 3.7 It should be noted that, in the case of local restrictions, grants will be paid every two weeks.
- 3.8 Any business failing to meet the criteria will not be awarded a grant.

National restrictions awards and frequency of payment

- 3.9 Where there are widespread national restrictions, the Local Restrictions Support Grant (Closed) scheme will move from a 14-day payment cycle to an alternative payment cycle.
- 3.10 For the national restriction from 5th November 2020 to 2nd December 2020, a 28-day payment cycle will be applied.
- 3.11 The amount of grant and the frequency of awards in respect of the national restriction are fixed as follows:
- (a) Businesses occupying hereditaments appearing on the local rating list with a rateable value of exactly £15,000 or under on the date of the commencement of the widespread national restrictions will receive a payment of £1,334 per 28-day qualifying restriction period;
 - (b) 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 widespread national restrictions will receive a payment of £2,000 per 28-day qualifying restriction period; and
 - (c) 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 widespread national restrictions, will receive £3,000 per 28-day qualifying restriction period.
- 3.12 At the end of any widespread national restriction, businesses may qualify for further grants depending on the LCAL that applies to the area at that time and the schemes in operation by the Council.

Businesses that are not shown in the local rating list

- 3.13 Businesses which are not shown in the local rating list may be able to apply for an award under the Council's Additional Restrictions Grants (ARG) Scheme.

Excluded businesses – both local and national restrictions

- 3.14 The following businesses will **not** be eligible for an award:
- (a) 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);
 - (b) Businesses in areas outside the scope of the localised restrictions, as defined by Government (and not subject to a widespread national restriction);
 - (c) Businesses that have chosen to close but not been required to, will not be eligible;
 - (d) Businesses which have already received grant payments that equal the maximum levels of State aid permitted under the de minimis and the COVID-19 Temporary State Aid Framework;
 - (e) Businesses that were in administration, are insolvent or where a striking-off notice has

- been made at the date of the local restriction or national restriction; and
- (f) Specific businesses subject to national closures since 23rd March 2020 will not be eligible for this funding. They will be provided support through the strand of the Local Restrictions Support Grant (Sector) for nationally mandated business closures. However, In the event of renewed widespread national ‘lockdown’ restrictions being imposed, the Local Restrictions Support Grant (Sector) will cease to apply, as relevant businesses will receive funding from the Local Restriction Support Grant (Closed) Scheme.

The Effective Date

- 3.15 The effective date for eligibility is determined as follows:
- (a) In the case of local restrictions, the date of the local restrictions; and
 - (b) In the case of widespread national restrictions, the date of the commencement of the widespread national restrictions.
- 3.16 In **all** cases, the following must have existed at the effective date:
- The hereditament **MUST** be shown in the local rating list as at the effective date;
 - Any changes to the local rating List (Rateable Value or to the hereditament) after that date, including changes which have been backdated to this date, will be ignored for the purposes of eligibility;
 - The Council is not required to adjust, pay or recover grants where the local rating list is subsequently amended retrospectively to the effective date;
 - In cases where it was factually clear to the Council that, at the effective date, the local rating List was inaccurate on that date, the Council *may* withhold the grant and/or award the grant based on their view of who would have been entitled to the grant had the list been accurate. (The Department for Business, Energy and Industrial Strategy (BEIS) has stated that this provision is entirely at the discretion of the Council and is **only** intended to prevent manifest errors. It is not intended for ratepayers who subsequently challenge their Rateable Value); and
 - Where a hereditament is exempt from rating as at the effective date, no grant shall be payable.

The Ratepayer

- 3.17 In **all** cases the following shall apply:
- The person who will receive the grant will be the person who, according to the Council’s records, was the ratepayer in respect of the hereditament at the effective date;
 - The ratepayer must be liable to occupied property rates at that date. It should be noted that grants will not be awarded where the hereditament is unoccupied;
 - Where the Council has reason to believe that the information it holds about the ratepayer at the effective date is inaccurate, it may withhold or recover the grant and take reasonable steps to identify the correct ratepayer;
 - Where, it is subsequently determined that the records held are incorrect, the Council reserves the right to recover any grant incorrectly paid; and
 - Where any ratepayer misrepresents information or contrives to take advantage of the scheme, the Council will look to recover any grant paid and take appropriate legal

action. Likewise, if any ratepayer is found to have falsified records in order to obtain a grant.

4.0 How will grants be provided to Businesses?

- 4.1 The Council is fully aware of the importance of these grants to assist businesses and support the local community and economy. The Local Restrictions Support Grant (Closed) scheme together with the Council's Additional Restrictions Grant (ARG) scheme will offer a lifeline to businesses who are struggling to survive during to the COVID-19 crisis.
- 4.2 Details of how to obtain grants are available on the Council's website:
www.lancaster.gov.uk/lrsg
- 4.3 In all cases businesses will be required to confirm that they are eligible to receive the grants. This includes where the Council already has bank details for the business and are in a position to send out funding immediately. Businesses are under an obligation to notify the Council should they no longer meet the eligibility criteria for any additional grants.
- 4.4 The Council reserves the right request any supplementary information from businesses, and they should look to provide this, where requested, as soon as possible.
- 4.5 An application for a Local Restrictions Support Grant (Closed) is deemed to have been made when a duly completed application form is received via the Council's online procedure.
- 4.6 All monies paid under this scheme will be funded by Government and paid to the Council under S31 of the Local Government Act 2003.

5.0 EU State Aid requirements

- 5.1 Any Local Restrictions Support Grant is given as aid under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020. This means that businesses receiving support under these provisions can receive up to €800,000 in aid over three years (being the current and the previous two years).
- 5.2 Any grant awarded is required to comply with the EU law on State Aid. This will involve the applicant declaring to the Council if they have received any other de minimis State aid or aid provided under the EU Commission COVID-19 Temporary Framework.
- 5.3 If the applicant has not received any other de minimis State aid, they are not required to make that declaration to the Council or to complete any declaration statement.

6.0 Scheme of Delegation

- 6.1 The Council has approved this scheme.

- 6.2 Officers of the Council will administer the scheme and the Section 151 Officer is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with Government guidance.

7.0 Notification of Decisions

- 7.1 Applications will be considered on behalf of the Council by the Revenues and Benefits Service.
- 7.2 All decisions made by the Council shall be notified to the applicant either in writing or by email. A decision shall be made as soon as practicable after an application is received.

8.0 Reviews of Decisions

- 8.1 The Council will operate an internal review process and will accept an applicant's request for a review of its decision.
- 8.2 All such requests must be made in writing to the Council within 14 days of the Council's decision and should state the reasons why the applicant is aggrieved with the decision of the Council. New information may be submitted at this stage to support the applicant's appeal.
- 8.3 The application will be reconsidered by the Section 151 Officer, as soon as practicable and the applicant informed in writing or by email of the decision.

9.0 Complaints

- 9.1 The Council's 'Complaints Procedure' (available on the Council's website) will be applied in the event of any complaint received about this scheme.

10.0 Taxation and the provision of information to Her Majesty's Revenues and Customs (HMRC)

- 10.1 The Council has been informed by Government that all payments under the scheme are taxable.
- 10.2 The Council does not accept any responsibility in relation to an applicant's tax liabilities and all applicants should make their own enquiries to establish any tax position.
- 10.3 All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to businesses.

11.0 Managing the risk of fraud

- 11.1 Neither the Council, nor Government will accept deliberate manipulation of the schemes or fraud. Any applicant caught falsifying information to gain grant money or failing to declare entitlement to any of the specified grants will face prosecution and any funding issued will be recovered from them.
- 11.2 Applicants should note that, where a grant is paid by the Council, details of each individual grant may be passed to Government.

12.0 Recovery of amounts incorrectly paid

- 12.1 If it is established that **any** award has been made incorrectly due to error, misrepresentation or incorrect information provided to the Council by an applicant or their representative(s), the Council will look to recover the amount in full.

13.0 Data Protection and use of data

- 13.1 All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available on the Council's website.



Lancaster City Council Local Restrictions Support Grant (OPEN) Scheme

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Definitions

The following definitions are used within this document:

‘Additional Restrictions Grant (ARG)’ means the additional funding provided by Government. Funding will be made available to eligible Local Authorities at the point that national restrictions are imposed or at the point the Local Authority first entered LCAL 3 local restrictions;

‘COVID-19’ (coronavirus); means the infectious disease caused by the most recently discovered coronavirus;

‘Department for Business, Energy & Industrial Strategy (BEIS)’; means the Government department responsible for the scheme and guidance;

‘Effective date’; means, for eligibility of the grant, the date of the local restrictions or the date of widespread national restrictions. For the purpose of this scheme the date cannot be before 9th September 2020;

‘Hereditament(s)’; means the assessment defined within Section 64 of the Local Government Finance Act 1988;

‘In-person services’ means services which are wholly or mainly provided by the business to their customers face to face and which **cannot** be provided by other means such as online or remotely by telephone, email, video link, or written communication;

‘Local Covid Alert Level’ (LCAL) means the level of alert determined by Government and Local Authorities for the area. LCALs have three Tiers. Tier 1 (Medium): Tier 2 (High) and Tier 3 (Very High). For the purposes of these schemes the definitions used are LCAL1, LCAL2 and LCAL3.

‘Local lockdown’; means the same as **‘Local restrictions’**;

‘Local rating list’; means the list as defined by Section 41 of the Local Government Finance Act 1988

‘Local restrictions’; and **‘Localised restrictions’** means legally binding restrictions imposed on specific Local Authority areas or multiple Local Authority areas, where the Secretary of State for Health and Social Care requires the closure of businesses in a local area under regulations made using powers in Part 2A of the Public Health (Control of Disease) Act 1984 in response to the threat posed by coronavirus and commonly as part of a wider set of measures;

‘Local Restrictions Support Grant Scheme (Closed)’; means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 9th September 2020, amended on 9th October 2020 and which is applicable to businesses forced to close under either LCAL3 or where national restrictions are in place;

Local Restrictions Support Grant Scheme (Open); means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 22nd October 2020 and which is applicable to businesses that are still open but severely impacted by the restrictions imposed by LCAL2 and LCAL3;

Local Restrictions Support Grant Scheme (Sector); means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 9th October 2020 (effective from 1st November) and which is

applicable to businesses that have been required to close on a national basis since 23rd March 2020 due to restrictions being put in place to manage coronavirus;

'Rateable value'; means the rateable value for the hereditament shown in the Council's local rating list at the date of the local restrictions;

'Ratepayer'; means the person who will receive the grant will be the person who, according to the Council's records, was the ratepayer liable for occupied rates in respect of the hereditament at the date of the local restrictions;

'State Aid Framework'; means the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020; and

'Temporary Framework for State aid'; means the same as the **'State Aid Framework'**.

1.0 Purpose of the Scheme and background.

- 1.1 The purpose of this document is to determine eligibility for a payment under the Council's Local Restrictions Support Grant Scheme (Open).
- 1.2 The grant scheme has been developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 22nd October 2020 which sets out circumstances whereby a grant payment may be made by the Council to businesses that are not legally required to close but which are severely impacted by the localised restrictions on socialising put in place to manage coronavirus and save lives.
- 1.3 Whilst the awarding of grants will be the Council's responsibility, the Department for Business, Energy & Industrial Strategy (BEIS) has set down certain criteria which **must** be met by each business making an application. The Department has also indicated the types of business which should be given the grant.
- 1.4 The scheme applies where local restrictions either under LCAL2 (High) or LCAL3 (Very High) are put in place on or after 1st August 2020.
- 1.5 Localised restrictions are legally binding restrictions imposed on specific Local Authority areas or multiple Local Authority areas, where the Secretary of State for Health and Social Care requires the closure of businesses in a local area under regulations made using powers in Part 2A of the Public Health (Control of Disease) Act 1984 in response to the threat posed by coronavirus and commonly as part of a wider set of measures.
- 1.6 Grants under this scheme will be available for the 2020/21 financial year only.
- 1.7 Where there is a widespread national restriction, this scheme will be replaced by the Council's Local Restrictions Support Grant Scheme (Closed) and potentially the Additional Restrictions Grant (ARG) scheme.

2.0 Funding

- 2.1 Local Authorities, subject to local eligibility, will receive funding to meet the cost of payments to businesses within the business rates system based on an assessment of the number of eligible business hereditaments.

3.0 Eligibility criteria.

- 3.1 The Local Restrictions Support Grant (Open) is primarily aimed at hospitality, hotel, bed & breakfast and leisure businesses. The Council does have the discretion as to how to award grant funding to individual businesses and will award to businesses outside of these sectors.

- 3.2 Government, whilst wanting Councils to exercise their local knowledge and discretion, has strongly suggested that the Council follow their criteria for the awards. The Council has decided to adopt these principles, and, in all cases, the Council will only consider businesses for grants where **all** of the criteria are met.

Eligibility criteria determined by the Council.

- 3.3 The Council has determined that businesses within the Hospitality, Accommodation and Leisure sector will be eligible if they were open, but financially severely impacted by LCAL High (Tier 2)/LCAL Very High (Tier 3) restrictions.
- 3.4 The business may be eligible if it:
- (a) occupies property on which it pays business rates to Lancaster City Council (if you are in receipt of business rates relief you are also eligible);
 - (b) was trading up to the date that the restrictions that have severely impacted your business came into force
- 3.5 Businesses that have substantially altered their business model in order to trade should enquire with Business Support at business.support@lancaster.gov.uk as to whether their original business model remains their substantive business.
- 3.6 The business will not be eligible if it:
- has not been financially severely impacted because it has been able to continue to operate during the local restrictions or national lockdown because it does not depend on providing direct 'in-person' services from its premises; and
 - was not a ratepayer in the business rates system upon the date that the business entered the relevant Local or National Restrictions Grant Scheme are ineligible.

4.0 The grant award, award periods and excluded businesses

- 4.1 The Council has decided that the following awards shall be granted:
- (a) Grants of up to £934 per 28-day period for businesses occupying hereditaments with a rateable value of exactly £15,000 or under on the date of the commencement of the local restrictions (LCAL2 or LCAL3);
 - (b) Grants of up to £1,400 per 28-day period for 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 (LCAL2 or LCAL3);
 - (c) Grants of up to £2,100 per 28-day period for businesses occupying hereditaments with a rateable value of exactly £51,000 or above on the date of the commencement of the local restrictions (LCAL2 or LCAL3).

Award periods

- 4.2 It should be noted that, in all cases, grants will be paid for every 28-day period that the criteria are met. Any business failing to meet the criteria will not be awarded a grant.

5.0 Excluded businesses

- 5.1 The following businesses will **not** be eligible for an award:
- (a) Businesses that are able to continue to trade and are not severely impacted as they can continue to provide their services normally;
 - (b) Businesses in areas outside the scope of the localised restrictions, as defined by Government;
 - (c) Businesses which have already received grant payments that equal the maximum levels of State aid permitted under the de minimis and the COVID-19 Temporary State Aid Framework;
 - (d) Businesses that were in administration, are insolvent or where a striking-off notice has been made at the date of the local restriction or national restriction; and
 - (e) Specific businesses subject to national closures since 23rd March 2020 will not be eligible for this funding. They will be provided support through the strand of the Local Restrictions Support Grant (Sector) for nationally mandated business closures.

6.0 The Effective Date

- 6.1 The effective date for eligibility of grants under this scheme is the date of the local restrictions.
- 6.2 Where a business is shown in the local non-domestic rating list the Rateable Value used in determining the level of grant will be that shown for the hereditament in the local rating list as at the effective date. Any changes to the local rating List (Rateable Value or to the hereditament) after that date, including changes which have been backdated to this date, will be ignored for the purposes of eligibility.
- 6.3 The Council is not required to adjust, pay or recover grants where the local rating list is subsequently amended retrospectively to the effective date.

7.0 Who can receive the grant?

- 7.1 Government has stated that the person who will receive the grant will be, where the business has a hereditament in the local non-domestic rating list, the person who, according to the Council's records, was the ratepayer in respect of the hereditament at the effective date. Where the business is not subject to rating, the Council will decide who should receive the grant.
- 7.2 Where grants are awarded to businesses who are not liable for rates, the Council shall decide who shall be awarded the grant.
- 7.3 Where the Council has reason to believe that the information it holds about the ratepayer or business at the effective date is inaccurate, it may withhold or recover the grant and take reasonable steps to identify the correct ratepayer.

- 7.4 Where, it is subsequently determined that the records held are incorrect, the Council reserves the right to recover any grant incorrectly paid.
- 7.5 Where any business or individual misrepresents information or contrives to take advantage of the scheme, the Council will look to recover any grant paid and take appropriate legal action. Likewise, if any business or individual is found to have falsified records in order to obtain a grant.

8.0 How will grants be provided to Businesses?

- 8.1 The Council is fully aware of the importance of these grants to assist businesses and support the local community and economy. The Local Restrictions Support Grant (Open) scheme will offer a lifeline to businesses who are struggling to survive during to the COVID-19 crisis.
- 8.2 Details of how to obtain grants are available on the Council's website:
www.lancaster.gov.uk/lrsg
- 8.3 In all cases businesses will be required to confirm that they are eligible to receive the grants. This includes where the Council already has bank details for the business and are in a position to send out funding immediately. Businesses are under an obligation to notify the Council should they no longer meet the eligibility criteria for any additional grants.
- 8.4 The Council reserves the right request any supplementary information from businesses, and they should look to provide this, where requested, as soon as possible.
- 8.5 An application for a Local Restrictions Support Grant (Open) is deemed to have been made when a duly completed application form is received via the Council's online procedure.
- 8.6 All monies paid under this scheme will be funded by Government and paid to the Council under S31 of the Local Government Act 2003.

9.0 EU State Aid requirements

- 9.1 Any Local Restrictions Support Grant is given as aid under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020. This means that businesses receiving support under these provisions can receive up to €800,000 in aid over three years (being the current and the previous two years).
- 9.2 Any grant awarded is required to comply with the EU law on State Aid. This will involve the applicant declaring to the Council if they have received any other de minimis State aid or aid provided under the EU Commission COVID-19 Temporary Framework.
- 9.3 If the applicant has not received any other de minimis State aid, they are not required to make that declaration to the Council or to complete any declaration statement.

10.0 Scheme of Delegation

10.1 The Council has approved this scheme.

10.2 Officers of the Council will administer the scheme and the Section 151 Officer is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with Government guidance.

11.0 Notification of Decisions

11.1 Applications will be considered on behalf of the Council by the Revenues and Benefits Service.

11.2 All decisions made by the Council shall be notified to the applicant either in writing or by email. A decision shall be made as soon as practicable after an application is received.

12.0 Reviews of Decisions

12.1 The Council will operate an internal review process and will accept an applicant's request for a review of its decision.

12.2 All such requests must be made in writing to the Council within 14 days of the Council's decision and should state the reasons why the applicant is aggrieved with the decision of the Council. New information may be submitted at this stage to support the applicant's appeal.

12.3 The application will be reconsidered by the Section 151 Officer, as soon as practicable and the applicant informed in writing or by email of the decision.

13.0 Complaints

13.1 The Council's 'Complaints Procedure' (available on the Council's website) will be applied in the event of any complaint received about this scheme.

14.0 Taxation and the provision of information to Her Majesty's Revenues and Customs (HMRC)

14.1 The Council has been informed by Government that all payments under the scheme are taxable.

14.2 The Council does not accept any responsibility in relation to an applicant's tax liabilities and all applicants should make their own enquiries to establish any tax position.

14.3 All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to businesses.

15.0 Managing the risk of fraud

- 15.1 Neither the Council, nor Government will accept deliberate manipulation of the schemes or fraud. Any applicant caught falsifying information to gain grant money or failing to declare entitlement to any of the specified grants will face prosecution and any funding issued will be recovered from them.
- 15.2 Applicants should note that, where a grant is paid by the Council, details of each individual grant may be passed to Government.

16.0 Recovery of amounts incorrectly paid

- 16.1 If it is established that **any** award has been made incorrectly due to error, misrepresentation or incorrect information provided to the Council by an applicant or their representative(s), the Council will look to recover the amount in full.

17.0 Data Protection and use of data

- 17.1 All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available on the Council's website.



Lancaster City Council Local Restrictions Support Grant (Sector) Scheme

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Definitions

The following definitions are used within this document:

‘COVID-19’ (coronavirus); means the infectious disease caused by the most recently discovered coronavirus;

‘Department for Business, Energy & Industrial Strategy (BEIS)’; means the Government department responsible for the scheme and guidance;

‘Effective date’; means, for eligibility of the grant, the date the eligible business is subject to national closures. The initial date for this scheme is 23rd March 2020;

‘Hereditament(s)’; means the assessment defined within Section 64 of the Local Government Finance Act 1988;

‘Local Covid Alert Level’ (LCAL) means the level of alert determined by Government and Local Authorities for the area. LCALs have three Tiers. Tier 1 (Medium): Tier 2 (High) and Tier 3 (Very High). For the purposes of these schemes the definitions used are LCAL1, LCAL2 and LCAL3.

‘Local lockdown’; means the same as **‘Local restrictions’**;

‘Local rating list’; means the list as defined by Section 41 of the Local Government Finance Act 1988

‘Local restrictions’; and **‘Localised restrictions’** means legally binding restrictions imposed on specific Local Authority areas or multiple Local Authority areas, where the Secretary of State for Health and Social Care requires the closure of businesses in a local area under regulations made using powers in Part 2A of the Public Health (Control of Disease) Act 1984 in response to the threat posed by coronavirus and commonly as part of a wider set of measures;

‘Local Restrictions Support Grant Scheme (Closed)’; means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 9th September 2020, amended on 9th October 2020 and which is applicable to businesses forced to close under either LCAL3 or where national restrictions are in place;

‘Local Restrictions Support Grant Scheme (Closed) Addendum’; means the changes made to the Local Restrictions Support Grant Scheme (Closed) due to widespread nationwide restrictions;

Local Restrictions Support Grant Scheme (Open); means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 22nd October 2020 and which is applicable to businesses that are still open but severely impacted by the restrictions imposed by LCAL2 and LCAL3;

Local Restrictions Support Grant Scheme (Sector); means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 9th October 2020 (effective from 1st November) and which is applicable to businesses that have been required to close on a national basis since 23rd March 2020 due to restrictions being put in place to manage coronavirus;

‘Rateable value’; means the rateable value for the hereditament shown in the Council’s local rating list at the date of the local restrictions;

'Ratepayer'; means the person who will receive the grant will be the person who, according to the Council's records, was the ratepayer liable for occupied rates in respect of the hereditament at the date of the local restrictions;

'State Aid Framework'; means the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020; and

'Temporary Framework for State aid'; means the same as the **'State Aid Framework'**.

1.0 Purpose of the Scheme and background.

- 1.1 The purpose of this document is to determine eligibility for a payment under the Council's Local Restrictions Support Grant (Sector) Scheme.
- 1.2 The grant scheme has been developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 9th October 2020 which sets out circumstances whereby a grant payment may be made by the Council to a business which has to close since 23rd March 2020 and has been unable to open since that time. The number of businesses within this sector are limited but have been closed to stop the spread of the Coronavirus and save lives.
- 1.3 Whilst the awarding of grants will be the Council's responsibility, the Department for Business, Energy & Industrial Strategy (BEIS) has set down criteria which **must** be met by each business making an application. The Department has also indicated the types of business which should be given the grant.
- 1.4 The scheme applies from 1st November 2020 and is not retrospective.
- 1.5 In the event of widespread national restrictions being imposed, this scheme (the Local Restrictions Support Grant (Sector)) will cease to apply, as relevant businesses will receive funding from the Local Restrictions Support Grant (Closed). National restrictions are nationally binding restrictions imposed by Parliament under legislation. The current national restrictions are made under the Health Protection (Coronavirus, Restrictions) (England) (No. 4) Regulations 2020.

2.0 Funding

- 2.1 Local Authorities will receive funding to meet the cost of payments to businesses within the business rates system based on an assessment of the number of eligible business hereditaments.

3.0 Eligibility criteria and awards

- 3.1 Government, whilst wanting Councils to exercise their local knowledge and discretion, has set national criteria for the funds within this scheme. In all cases, the Council will only consider businesses for grants where **all** of the criteria are met.
- 3.2 Businesses will only be eligible where they have been required to close due to national restrictions imposed on 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.
- 3.3 The business **must** have been trading on 23rd March 2020 in order to receive the grants and be one of the following:
 - (a) Nightclubs, dance halls, and discotheques; or
 - (b) Sexual entertainment venues and hostess bars.

Awards and frequency of payment

- 3.4 Businesses which are forced to close and meet the eligibility criteria will receive a grant payment for every period of 14 days after the 1st November 2020. Where a widespread nationwide restriction comes into force, any payment will be made pro-rata to the date of the national restriction, when payments will be made under the Local Restriction Support Grant (Closed) Scheme.
- 3.5 Should the widespread national restriction end, but the eligible businesses continue to be forced to closed, payments under this scheme will re-commence and be paid for every period of 14-day period of closure
- 3.6 The amount of grant and the frequency of awards in respect of this scheme are fixed as follows:
- (a) Businesses occupying hereditaments appearing on the local rating list with a rateable value of exactly £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;
 - (b) 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;
 - (c) 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.
- 3.7 Any business failing to meet the criteria will not be awarded a grant. However, where a business has multiple eligible hereditaments, multiple grants can be awarded.

Excluded businesses

- 3.8 The following businesses will **not** be eligible for an award:
- (a) Businesses outside the scope of this scheme;
 - (b) Businesses that have chosen to close before the effective date but not been required to, will not be eligible;
 - (c) Businesses which have already received grant payments that equal the maximum levels of State aid permitted under the de minimis and the COVID-19 Temporary State Aid Framework;
 - (d) Businesses that have been repurposed and are able to open e.g. where a nightclub has been converted to a bar; and
 - (e) Businesses that were in administration, are insolvent or where a striking-off notice has been made at the date of the local restriction or national restriction;

The Effective Date

- 3.9 The effective date for eligibility is determined as 23rd March 2020 for all businesses required to close.
- 3.10 In **all** cases, the following must have existed at the effective date:
- The hereditament **MUST** be shown in the local rating list as at the effective date;
 - Any changes to the local rating List (Rateable Value or to the hereditament) after that date, including changes which have been backdated to this date, will be ignored for the purposes of eligibility;
 - The Council is not required to adjust, pay or recover grants where the local rating list is subsequently amended retrospectively to the effective date;
 - In cases where it was factually clear to the Council that, at the effective date, the local rating List was inaccurate on that date, the Council *may* withhold the grant and/or award the grant based on their view of who would have been entitled to the grant had the list been accurate. (The Department for Business, Energy and Industrial Strategy (BEIS) has stated that this provision is entirely at the discretion of the Council and is **only** intended to prevent manifest errors. It is not intended for ratepayers who subsequently challenge their Rateable Value); and
 - Where a hereditament is exempt from rating as at the effective date, no grant shall be payable.

The Ratepayer

- 3.11 In **all** cases, the following shall apply:
- The person who will receive the grant will be the person who, according to the Council's records, was the ratepayer in respect of the hereditament at the effective date;
 - The ratepayer must be liable to occupied property rates at that date. It should be noted that grants will not be awarded where the hereditament is unoccupied;
 - Where the Council has reason to believe that the information it holds about the ratepayer at the effective date is inaccurate, it may withhold or recover the grant and take reasonable steps to identify the correct ratepayer;
 - Where, it is subsequently determined that the records held are incorrect, the Council reserves the right to recover any grant incorrectly paid; and
 - Where any ratepayer misrepresents information or contrives to take advantage of the scheme, the Council will look to recover any grant paid and take appropriate legal action. Likewise, if any ratepayer is found to have falsified records in order to obtain a grant.

4.0 How will grants be provided to Businesses?

- 4.1 The Council is fully aware of the importance of these grants to assist businesses and support the local community and economy. The Local Restrictions Support Grant (Sector) scheme will offer a lifeline to businesses who are struggling to survive during to the COVID-19 crisis.

- 4.2 Details of how to obtain grants are available on the Council's website:
www.lancaster.gov.uk/lrsg
- 4.3 In all cases businesses will be required to confirm that they are eligible to receive the grants. This includes where the Council already has bank details for the business and are in a position to send out funding immediately. Businesses are under an obligation to notify the Council should they no longer meet the eligibility criteria for any additional grants.
- 4.4 The Council reserves the right request any supplementary information from businesses, and they should look to provide this, where requested, as soon as possible.
- 4.5 An application for a Local Restrictions Support Grant (Sector) is deemed to have been made when a duly completed application form is received via the Council's online procedure.
- 4.6 All monies paid under this scheme will be funded by Government and paid to the Council under S31 of the Local Government Act 2003.

5.0 EU State Aid requirements

- 5.1 Any Local Restrictions Support Grant is given as aid under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020. This means that businesses receiving support under these provisions can receive up to €800,000 in aid over three years (being the current and the previous two years).
- 5.2 Any grant awarded is required to comply with the EU law on State Aid. This will involve the applicant declaring to the Council if they have received any other de minimis State aid or aid provided under the EU Commission COVID-19 Temporary Framework.
- 5.3 If the applicant has not received any other de minimis State aid, they are not required to make that declaration to the Council or to complete any declaration statement.

6.0 Scheme of Delegation

- 6.1 The Council has approved this scheme.
- 6.2 Officers of the Council will administer the scheme and the Section151 Officer is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with Government guidance.

7.0 Notification of Decisions

- 7.1 Applications will be considered on behalf of the Council by the Revenues and Benefits Service.

- 7.2 All decisions made by the Council shall be notified to the applicant either in writing or by email. A decision shall be made as soon as practicable after an application is received.

8.0 Reviews of Decisions

- 8.1 The Council will operate an internal review process and will accept an applicant's request for a review of its decision.
- 8.2 All such, requests must be made in writing to the Council within 14 days of the Council's decision and should state the reasons why the applicant is aggrieved with the decision of the Council. New information may be submitted at this stage to support the applicant's appeal.
- 8.3 The application will be reconsidered by the Section 151 Officer, as soon as practicable and the applicant informed in writing or by email of the decision.

9.0 Complaints

- 9.1 The Council's 'Complaints Procedure' (available on the Councils website) will be applied in the event of any complaint received about this scheme.

10.0 Taxation and the provision of information to Her Majesty's Revenues and Customs (HMRC)

- 10.1 The Council has been informed by Government that all payments under the scheme are taxable.
- 10.2 The Council does not accept any responsibility in relation to an applicant's tax liabilities and all applicants should make their own enquiries to establish any tax position.
- 10.3 All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to businesses.

11.0 Managing the risk of fraud

- 11.1 Neither the Council, nor Government will accept deliberate manipulation of the schemes or fraud. Any applicant caught falsifying information to gain grant money or failing to declare entitlement to any of the specified grants will face prosecution and any funding issued will be recovered from them.
- 11.2 Applicants should note that, where a grant is paid by the Council, details of each individual grant may be passed to Government.

12.0 Recovery of amounts incorrectly paid

- 12.1 If it is established that **any** award has been made incorrectly due to error, misrepresentation or incorrect information provided to the Council by an applicant or their representative(s), the Council will look to recover the amount in full.

13.0 Data Protection and use of data

- 13.1 All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available on the Council's website.