



# Eastbourne Borough 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 23<sup>rd</sup> 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 9<sup>th</sup> September 2020, amended on 9<sup>th</sup> 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 22<sup>nd</sup> 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 9<sup>th</sup> October 2020 (effective from 1<sup>st</sup> November) and which is applicable to businesses that have been required to close on a national basis since 23<sup>rd</sup> 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 9<sup>th</sup> October 2020 which sets out circumstances whereby a grant payment may be made by the Council to a business which has to close since 23<sup>rd</sup> 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 1<sup>st</sup> 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 23<sup>rd</sup> 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 1<sup>st</sup> 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 23<sup>rd</sup> 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 the COVID-19 crisis.

- 4.2 Details of how to obtain grants are available on the Council's website:  
<https://www.lewes-eastbourne.gov.uk/community/covid-19/help-for-businesses/?opentab=6>
- 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 Director of Service Delivery 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 As such requests should be emailed to [Specialistrevs@lewes-eastbourne.gov.uk](mailto:Specialistrevs@lewes-eastbourne.gov.uk) 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 a senior 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.