



City of
Stoke-on-Trent

LOCAL RESTRICTIONS DISCRETIONARY GRANT POLICY

Contents

LOCAL RESTRICTIONS DISCRETIONARY GRANT POLICY	1
Additional Restrictions Grant - (ARG)	2
Phase 1	2
Phase 2.....	3
Application Process	4
Local Restrictions Support Grant (Open)	5
Application Process	6

Introduction

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

Local authorities are required to adopt policies to distribute grants to business, through periods of national and local restrictions.

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

Name of Grant	Businesses Affected
Additional Restrictions Grant	Discretionary fund to be developed in phases.
Local Restrictions Support Grant (Open)	Businesses severely impacted under tier 2 and 3 restrictions

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

Additional Restrictions Grant - (ARG)

On 31 October 2020, the Government announced the introduction of additional support for Local Authorities under national and local restrictions. This support will take the form of a funding scheme in Financial Year 2020-2021 and can be used across Financial Years 2020/2021 and 2021/2022. The scheme is called the Additional Restrictions Grant (ARG) and is administered by business rate billing authorities in England.

Under the Additional Restrictions Grant, the council received a one-off lump sum payment amounting to £20 per head of population as national restrictions were imposed on 5 November. This was topped up as part of the £594 million discretionary fund for Local Authorities announced on 5 January 2021

Phase 1

Phase 1 of this scheme related to the period 5 November 2020 to 1 December 2020 and has now closed. Phase 2 of this grant is open from 15 January 2021 to 4pm on Thursday 28 January 2021.

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

Phase 1 Additional Restrictions Grant will therefore be paid to:

- Businesses trading on 4 November from commercial premises for which they are not the direct ratepayer (e.g. shared spaces or premises under a paramount

control of another party) will receive a payment of £1,334 in respect of the period commencing 5 November 2020 to 1 December 2020.

- Businesses which, while not legally forced to close, are nonetheless severely impacted by the restrictions put in place. This will include businesses registered for business rates which supply the retail, hospitality, personal care and leisure sectors, or businesses in the events sector. Where such trade represents more than 50% of the expected business with a closed organisation, grants will be paid in respect of the period commencing 5 November 2020 to 1 December 2020 at a similar rate to the Local Restrictions Support Grant (Closed)
 - Non-ratepayers occupying commercial premises will receive £1,334
 - Rateable value up to £15,000 will receive £1,334
 - Rateable value from £15,001 up to £50,999 will receive £2,000
 - Rateable value over £51,000 will receive £3,000

- Market Traders (not on the rating list) within the council's area, who are not able to trade, due to the nature of their business or the closure of the premises from which they trade, will receive £1,334 in respect of the period commencing 5 November 2020 to 1 December 2020.

- Bed & Breakfast businesses which are liable for council tax rather than business rates.

No grant is payable in respect of individuals or organisations who operate from domestic premises. This includes Houses of Multiple Occupation.

Phase 2

Phase 2 of this grant is open from 15 January 2021 to 4pm on Thursday 28 January 2021.

Grant payments will be made for the period 2 December 2020 to 15 February 2021, as follows:

	Payment – No Rateable Value or Rateable Value 15,000 or less	Payment - Rateable Value 15,001 to 50,999	Payment - Rateable Value 51,000 or over
Personal Care, Non-essential Retail & Home/Mobile Businesses	£2,239.00	£3,357.00	£5,035.00
Hospitality, Leisure Events	£3,620.00	£5,428.00	£8,142.00
Suppliers & Other	£2,535.00	£3,800.00	£5,700.00

Phase 2 Additional Restrictions Grant will therefore be paid to:

- Businesses trading from commercial premises for which they are not the direct ratepayer (e.g. shared spaces or premises under a paramount control of another party)
- Home and Mobile workers that can demonstrate ongoing fixed business related costs
- Businesses which, whilst not legally forced to close, are nonetheless severely impacted by the restrictions put in place. This will include businesses registered for business rates which supply the retail, hospitality, personal care and leisure sectors, or businesses in the events sector where such trade represents more than 50% of the expected business with a closed organisation.
- Market Traders within the council's area, who are not able to trade, due to the nature of their business or the closure of the premises from which they trade
- Bed & Breakfast businesses which are liable for council tax rather than business rates
- Businesses that can evidence that their takings have reduced at least 50% for the period 1 November 2020 to 31 December 2020 directly compared to 1 November 2019 to 31 December 2019

No grant is payable in respect of domestic or non-domestic landlords. This includes Houses of Multiple Occupation.

Funding levels may be adjusted based on number of applications received to ensure all businesses can access support

Application Process

- Business Rates account number (where applicable)
- Personal details
- Business name and address
- Contact details
- The nature of the business (Sector)
- The company registration number or National Insurance Number in the case of sole traders.
- Size of the business (employees)
- Trading Dates
- Loss of income proof
- That receipt of the grant will not exceed State Aid compliance rules
- The bank account into which the grant is to be paid
- Evidence of the bank account

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

The Council may use ARG funding to provide additional support to larger local businesses which are important to the local economy, on top of the funding provided to those businesses via the LRSG (Closed) scheme, with due reference to State Aid. In taking decisions on the appropriate level of grant, the Council may have regard to the level of fixed costs faced by the business in question, the number of employees, whether they are unable to trade online and the consequent scale of coronavirus losses.

The Council may from time to time define categories of business to be excluded from this grant scheme.

Local Restrictions Support Grant (Open)

This strand of support was announced by the government on 22 October 2020 to help kick-start recovery for businesses that are not legally required to close but are severely impacted by the restrictions under Tier 2 and Tier 3 restrictions. This scheme ceases to apply in Tier 4 and National restriction periods.

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

On 24 October 2020 Stoke on Trent entered the Tier 2 category which imposed local restrictions on businesses and residents. On 2 December 2020 Stoke on Trent entered the Tier 3 category which imposed local restrictions on businesses and residents. A series of grants were available to support businesses affected by such restrictions, though these were somewhat superseded by the national lockdown measures, from 5 November.

The following grants are applicable for this scheme:

- Grants of up to £467 per 14-day period for hospitality, hotel, bed & breakfast and leisure businesses that have been able to remain open in Tier 2 and/or Tier 3, occupying hereditaments with a rateable value of exactly £15,000 or under on the date of the commencement of the local restrictions
- Grants of up to £700 per 14-day period for hospitality, hotel, bed & breakfast and leisure businesses that have been able to remain open in Tier 2 and/or Tier 3, occupying hereditaments with a rateable value over £15,000 and less than £51,000 on the date of the commencement of the local restrictions.
- Grants of up to £1,050 per 14-day period for hospitality, hotel, bed & breakfast and leisure businesses that have been able to remain open in Tier 2 and/or Tier 3, occupying hereditaments with a rateable value of exactly £51,000 or above on the date of the commencement of the local restrictions.

A pro-rata payment will be made to eligible businesses to cover the period 24 October 2020 to 4 November 2020.

Application Process

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

- Business Rates account number
- Personal details
- Business name and address
- Contact details
- That they are the party liable for the business rates
- The nature of the business (Sector)
- The company registration number or National Insurance Number in the case of sole traders.
- Size of the business (employees)
- Trading Dates
- That receipt of the grant will not exceed State Aid compliance rules
- The bank account into which the grant is to be paid
- Evidence of the bank account

We will assess eligibility for this scheme from the Local Restrictions Support Grant (closed) scheme application completed by businesses. There will not be a separate application form.

We will prioritise hospitality, hotel, bed & breakfast and leisure businesses for this scheme. Betting shops will be excluded. If there is available funding after all applications have been assessed we will review the policy and may extend the scope of this scheme. Businesses qualifying for the Local Restrictions Support Grant (Closed) will not qualify for this grant.

The Council may from time to time define categories of business to be excluded from this grant scheme.