



Eastbourne Borough Council
Local Restrictions Support Grant (OPEN)
Scheme
(2nd December 2020 onwards)

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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 LCAL2, 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 aimed at hospitality, hotel, bed & breakfast and leisure businesses.
- 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 the following criteria:
- (a) Businesses that were established and trading on the day prior to the introduction of LCAL 2-type (High) or LCAL 3-type (Very High) restrictions within the area are eligible;
 - (b) Businesses that provide hospitality, bed & breakfast and leisure businesses will be considered for the grant;
 - (c) Businesses within (b) that are not legally required to close but which are severely impacted by the localised restrictions on socialising are eligible. Each business will be required to certify to the Council that they have been severely impacted by the restrictions.
- 3.4 For the purpose of this scheme, hospitality and leisure means any of the following:
- restaurant, café, bar or pub
 - cinema or live music venue
 - assembly or leisure property - for example, a sports club, a gym or a spa
 - hospitality property - for example, a hotel, a guest house or self-catering accommodation.
- 3.5 Bed and Breakfast business are those that pay Council Tax instead of business rates
- 3.6 The defined businesses are those who do not occupy a separate hereditament within the 2017 Rating List and who the Valuation Office Agency would deem to fall within the Council Tax Valuation List.
- 3.7 For the avoidance of doubt, the Council will consider this as a priority business if:
- (a) the Bed and Breakfast property is domestic and therefore subject to council tax rather than business rates;
 - (b) It provides short stay accommodation for no more than six persons at any one time within the past year;
 - (c) The property is the sole or main residence of the proprietor(s) and the bed and breakfast use is subsidiary to the private use; and
 - (d) The business was trading on the day before the effective date.
- 3.8 In determining subsidiary use the Council shall take into account:
- Whether the majority of the premises is being used for business purposes: and
 - If the premises have been adapted to alter the character of the property beyond that of a private house.
- 3.9 Where the Council has determined that the Bed and Breakfast premises should have been subject to Non-Domestic Rating, the business shall not be considered as a priority for an award.
- 3.10 The Council will only accept applications from businesses that are registered with the Council as Bed and Breakfast premises.

- 3.11 The Council has determined that any premises where it considers that the Bed and Breakfast business is basically 'home sharing' and where advertising is wholly undertaken through 'home sharing' websites will not take priority for the fund.

4.0 The grant award, award periods and excluded businesses

Where the business is shown in the local non-domestic rating list

- 4.1 The Council has decided that the following awards shall be granted:
- (a) Grants of up to £467 per 14-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 £700 per 14-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 £1,050 per 14-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).

Where the business is a Bed and Breakfast and NOT shown in the local non-domestic rating list

- 4.2 The Council has decided that Bed and Breakfast businesses as defined will receive grants of up to £467 per 14-day period on the date of the commencement of the local restrictions (LCAL2 or LCAL3).

Award periods

- 4.3 It should be noted that, in all cases, grants will be paid for every 14-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.lewes-eastbourne.gov.uk
- 8.3 In all cases businesses will be required to apply for **each** 14- day period and confirm that they are eligible to receive the grants. 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 As funding for this scheme is limited, the Council reserves the right to end the scheme when funds are exhausted.

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 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.

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. If a request for a reconsideration is made by email it should be sent to specialistrevs@lewes-eastbourne.gov.uk.
- 12.3 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.

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.