



Elmbridge Borough Council

... bridging the communities ...

Elmbridge Borough Council – Local Restrictions Support Grant (Open)

1. Background

1.1 On 22 October 2020 the government announced a number of initiatives to support business that were not legally required to close but are severely impacted by the restriction under Local Covid Alert Levels, High (LCAL2) and Very High (LCAL3) in England as part of the government's response to COVID 19. The announcement can be found here

<https://www.gov.uk/government/news/plan-for-jobs-chancellor-increases-financial-support-for-businesses-and-workers>)

1.2 This scheme relates to the LCAL2 restrictions in place in Elmbridge for the period 17 October 2020 to 4 November 2020 but would also apply should the Council re-enter LCAL:2 restrictions (or LCAL 3 restriction), subject to any further guidance or amendment by central government. The scheme, known as the Local Restrictions Support Scheme Grant LRSG (Open) is discretionary and individual Councils are allowed to design there schemes, provided there are within the overall guidelines set by Central Government (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/932625/V.1. Local Restrictions Support Grant_OPEN_-_FINAL_LA_guidance_03112020.pdf).

1.3 This scheme is also commonly referred to as Tier 2 Discretion Grants Scheme.

1.4 **The LRSG (Open) scheme is aimed at businesses, where their operation is predominantly in the following broad categories:**

Public Houses, Bars and Wine Bars
Café and Restaurants
Hotels and Bed & Breakfast
Cinemas and entertainment venues, including public halls.
Tourist attractions

These businesses, would not have been required to close, but must have been affected by the additional restrictions put in place as a result of the Council entering LCAL2 (or LCAL3)

- 1.5 The Government have provided funding available to Councils based on the Valuation Offices assessment of the nature of the business using valuation office codes. The government have provided a list of the businesses they have used on the 16 November however we have been advised that we cannot use these codes in determining a scheme.

The overall funding for this scheme is a fixed allocation for the period the Council was in the LCAL2 (or LCAL3) restrictions, and no additional funding will be made available from central government.

The council have designed this scheme based on its assessment of the nature of the business. We recognise that this assessment may be different from the government's assessment, however given that the governments instruction, this is the only way in which the grants could be paid to business in a timely and structured way.

We may review the eligible businesses, should there be a change in restriction levels.

The scheme has been designed so that we will utilise all the funding available should all of the businesses apply in our assessment of eligible businesses.

Eligible businesses would also have been required to close when national restrictions applied from 5 November. The Council will be writing (or e-mailing) all businesses that have been required to close with a single form to claim the Tier 2 (Open) grant (where eligible) and separate national (Closed) grant. It is the responsibility of individual businesses to confirm they meet the detailed eligibility criteria advised in the notification, and to submit an application. These include:

- The business has been affected by the move in to LCAL2 (or 3) over and above the impact from the LCAL1 restrictions.
 - The business complies with state aid requirements.
 - The acknowledgement of the data sharing arrangements.
 - The business must have been open and providing in-person services to customers from the business premises directly before the LCAL2
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restrictions came into force on the 17 October 2020, and remained open until the 4 November.

- The business must have been trading on the day before the restrictions came into force, no grant will be paid if the business had notified Company House of any difficulties, which had not been cleared at the date the LCAL2, LCAL3 or National Restrictions came into force.

2. Basic Eligibility Criteria

- 2.1 Only businesses which were trading on the day before the LCAL (2 or 3) restrictions came into place are eligible for this scheme.
- 2.2 Companies that are in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.
- 2.3 The business must have premises in the boundary of Elmbridge Borough Council and the premises must be rateable within the Boundary of Elmbridge Borough Council. The business must be the ratepayer, no applications will be considered for any business which is not the ratepayer on the day before the Council went into Tier 2 or Tier 3 restrictions. Businesses who are not ratepayers may be able to claim a grant under the separate Additional Restrictions Grant Scheme, details to follow.
- 2.4 Premises used for Financial Services (e.g. bank), Medical Services (e.g. vets, dentist), Professional Services (e.g. solicitor) and Post Office sorting offices are not eligible for grants.

3. Award of Grants

- 3.1 The grant award will be banded based on the rateable value as set out below, any grant award will be in proportion to the period in which the LCAL2 or LCAL3 restrictions applied.
 - For properties with a rateable value of £15,000 or under, grants to be £934 per four weeks (28 days)
 - For properties with a rateable value of between £15,001 and £51,000 grants to be £1,400 per four weeks (28 days)
 - For properties with a rateable value of £51,000 or over grants to be £2,100 per four weeks (28 days)



4. Fraud

- 4.1 By accepting a grant payment, the business confirms that they are eligible for the grant scheme, including that any payments accepted will be in compliance with State aid rules. The Council and the government will not accept deliberate manipulation and fraud - and any business caught falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.
- 4.2 The Council will use all available tools to identify potential fraud before and after payment, by submitting an application you are consenting for the Council to share the data on the application form for the purposes of validating the claim with any appropriate organisations, including the Department for Business, Energy & Industrial Strategy who may contact you for research and evaluation purposes. If you do not consent to the sharing of the information the claim will be deemed invalid.

5. State Aid

- 5.1 Grants under this scheme are considered State Aid. Under EU De-minimis regulations you (or your company) cannot receive more than €200,000 (approximately £180,000) state aid in any three-year period (i.e. your current fiscal year and previous two fiscal years). However, following the outbreak of the Coronavirus, the European Commission has approved schemes to aid businesses affected by the Coronavirus outbreak on the basis of their Temporary Framework, including the COVID-19 Temporary Framework scheme for the UK. This framework allows for an additional €800 000 (approximately £720,000) state aid to be granted to undertakings that were not in difficulty (within the meaning of Article 2(18) of the General Block Exemption Regulation³) on 31 December 2019. If you have received other state aid that exceeds these limits, you will not be able to claim a grant under this scheme.
- 5.2 If the applicant or the Council become aware that the state aid limit has been exceeded it will be the applicant's responsibility to return the payment to the Council within 14 days of discovering the limit has been exceeded.
- 5.3 Further information on State Aid can be found at:
www.gov.uk/guidance/state-aid



6. Funding

- 6.1 The government are only providing limited funding to the scheme, and the individual elements of the scheme will be prepared to maximise the funding to the businesses in Elmbridge.
- 6.2 The government have stated that no additional funding will be available should any Council exceed its allocation.
- 6.3 Because of the nature of these businesses the Government and Elmbridge are uncertain about the number of business who would be eligible for these grants.
- 6.4 Only complete applications will be considered for a grant. It is the applicant's responsibility to ensure that all relevant information, including evidence, if required is provided at the time of submitting the application. The applicant will also respond to any reasonable requests for additional information in a timely manner. Failure to supply information will invalidate the application.
- 6.5 Partially completed applications will be deemed invalid, or applications which do not clearly provide the information required will be deemed invalid.
- 6.6 The Council reserves the right to reject an application if it does not meet the spirit of the governments grant scheme, or the criteria listed.

7. Right of Appeal

- 7.1 There will be no right of appeal.
 - 7.2 A business may only challenge a grant decision on a point of law through the courts.
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