

## **Appendix A – Covid-19 Business Support Grant Eligibility Summary**

The sections below provide a basic summary of the relevant support grants and the qualifying conditions for each grant. A greater depth of explanation is available within the relevant guidance published by the Department of Business Energy and Industrial Strategy.

For each grant businesses that are in liquidation, administration, are insolvent or are subject to a striking off notice will be ineligible for support. A business that has exhausted its state aid, or subsidy allowances will not be eligible for support.

The tabulation closing the appendix provides a summary of the periods for which grant schemes were in operation and the deadlines for making applications for grant.

### ***Small Business Grant Fund***

Small Business Grant Fund is a grant to support businesses that on 11<sup>th</sup> March 2020 were eligible for small business rates relief or rural rate relief.

To be eligible for small business rates relief a business must occupy only one property in England and that property must have a rateable value of below £15,000.

When we determine whether a business occupies one property, we do not count any additional properties with a rateable value of less than £2,900 provided that

- a) SBRR is not payable for that property; and
- b) the total combined RV of premises occupied by the business is less than £20,000

Rural Rate Relief is payable, subject to rateable value limits, to the only post office, general store, petrol filling station or public house, or a food shop within a designated rural settlement.

### ***Retail, Hospitality and Leisure Grant***

Retail, Hospitality and Leisure Grant is payable to businesses which occupied premises with a rateable value below £51,000 and on 11<sup>th</sup> March 2020 would have been eligible for expanded retail discount, if the rules in place from 1<sup>st</sup> April 2020 had applied at that date.

To be eligible for expanded retail discount a property must be used wholly or mainly as

- a) a shop, restaurant, café, drinking establishment, cinema or live music venue;  
or
- b) for assembly and leisure; or

- c) as a hotel, guest or boarding house, or as self-catering accommodation.

The expanded retail guidance includes specific definitions for each of these qualifying purposes, but in all cases the premises must be used by visiting members of the public. Therefore, premises used for the sale of goods or provision of services by distance selling, or mainly for on-line or wholesale trade to business would not be eligible for discount and wouldn't meet the criteria for payment of RHLG.

### ***Local Authority Discretionary Grant Fund***

LADGF has been provided to local authorities to support businesses which were ineligible for SBGF or RHLGF each local authority can determine its own scheme of support.

Redditch Borough Council implemented a scheme which was available for application from any business within the district, however, applications to the scheme would be prioritised to ensure that support was targeted to those businesses which had experienced the greatest impact from Covid-19.

The council's scheme had three tiers of support businesses in tier 1 would have their applications determined first, and when all applications in that tier were determined and paid businesses in tier 2 were assessed. The process was applied again in respect of tier 2 and tier 3 businesses, and when all businesses in the tier groups had their applications assessed any remaining applications were determined.

The amount of funding available for LADGF was capped at £1.0135m if there was insufficient funding to pay all businesses in a tier group then there would be no cascade down of support. For example, if funding was exhausted at tier 2 then no support would be provided to tier 3 businesses.

Central Government had asked that local authorities prioritised support to specific businesses which were

- a) charities ineligible for small business rates relief because they received mandatory charitable rate relief.
- b) Regular market traders
- c) Bed and Breakfast providers paying council tax and not business rates
- d) Occupiers of shared office and shared business accommodation

The Government's priority businesses were treated as tier 1 applicants.

Tier 2 applicants included businesses from

- a) the events and exhibitions sector which were ineligible for expanded retail discount and RHLG because they did not provide in-person services from their premises; and
- b) Travel and Leisure businesses engaged in the distance selling of travel and leisure packages or engaged solely in the management and organisation of travel and leisure excursions and excluded from RHLG.

Tier 3 applicants included

- a) Gyms, Children's Activity Centres, and pubs with a rateable value of more than £51,000
- b) Businesses in the retail, leisure, and hospitality supply chain.

Government rules prevented the payment of LADGF to any business that had received support under SBGF, RHLG or certain sector specific grant support schemes administered by central Government.

### ***Local Restriction Support Grant (Sector)***

The LRSG (Sector) is a grant intended to support businesses that have been required to close at a national level since March 2020. The grants became payable from 1<sup>st</sup> November and provide support for each subsequent 14-day period of closures.

Where national or tier 4 restrictions are implemented LRSG (Sector) ends, entitlement to grant is paid on a pro-rata basis and the business becomes eligible for LRSG (Closed) addendum payments.

LRSG sector is payable to a business which:

- Was trading on 23<sup>rd</sup> March 2020; and
- Was liable for business rates on the date that any relevant period of restrictions began; and
- Is used for a qualifying purpose,

The qualifying purposes are premises used as

- a) Nightclubs
- b) Dance Halls
- c) Discotheques
- d) Sexual Entertainment Venues
- e) Hostess Bars; and
- f) Shisha Bars

If a business has re-purposed their premises so that they were able to open at any point after 23<sup>rd</sup> March 2020, for example a hostess bar which open as a pub or drinking establishment then they will not be eligible for LRSG (Sector).

### ***Local Restriction Support Grant (Closed)***

LRSG (Closed) is a scheme of support grants which provide funds to business which are required to close when an area is within Local Covid Alert Level “High” (tier 2 restrictions, Local Covid Alert Level “Very High” tier 3 restrictions or when tier 4 or national restrictions have been implemented.

There are five iterations of the LRSG (closed) scheme

LRSG (Closed)

LRSG (Closed) addendum

LRSG (Closed) version 2

LRSG (Closed) Addendum Tier 4

LRSG (Closed) Addendum 5<sup>th</sup> January onwards

The schemes differ in the periods for which support is paid, with grants payable for 14-day, 28-day, 42-day or 44-day periods dependant on the scheme in place.

To be eligible for a grant a business must:

- have been established and trading on the day before the restrictions came into effect; and
- have been providing in-person services to customers from their business premises; and
- have been required to close for a consecutive period of no less than 14 days
- occupy premises appearing in the local rating list on the date of the commencement of restrictions.

If a business is required to close but fails to do so then they will be ineligible for the grant; a business which remains open only to provide a click and collect, delivery or take-away services will be treated as closed for the purposes of grant.

### ***LRSO (Open)***

LRSO (Open) is a scheme of support which is available to businesses during period in which an are is within Local Covid Alert Level “High” (tier 2) or Local Covid Alert Level “Very High” (tier 3).

The scheme is a discretionary scheme, and each local authority may determine its own policy administration.

The scheme in place for Redditch prioritises support to

- a) Hospitality, Hotel, Bed and Breakfast and Leisure businesses.
- b) Businesses within the supply chain, or providing services to the hospitality, hotel, bed and breakfast or leisure businesses.
- c) Businesses that are dependant on the night-time economy.

To be eligible for a grant a business must be able to demonstrate a significant impact from the coronavirus restrictions.

Where funding is available businesses from outside the priority groups will be considered for support where they can demonstrate a significant impact from the coronavirus restrictions.

### ***Christmas Support Payment for Wet-Led Pubs***

CSP is a one-off payment intended to provide support for wet-led pubs which are within areas which were subject to tier 2 or tier 3 restrictions during the period of 2<sup>nd</sup> December 2020 to 29<sup>th</sup> December 2020.

The grant will be payable to the ratepayer occupying a property within the local rating list on 1<sup>st</sup> December 2020 and which meet the definition of a wet-led pub.

For the purposes of the grant a wet-led pub is:

- a) Open to the general-public; and
- b) Allows free entry other than when occasional entertainment is provided; and
- c) Allows drinking without requiring food to be purchased; and
- d) Permits drinks to be purchased at a bar.

A pub will exclude restaurants, cafes, nightclubs, hotels, snack bars, guesthouses, boarding houses, sporting venues, music venues, festival sites, theatres, museums, exhibition halls, cinemas, concert halls and casinos.

### ***Closed Business Lockdown Payment***

CBLP is an additional grant available to businesses which are required to close due to the national lockdown from 5<sup>th</sup> January 2020.

The payment is an additional payment to the LRSG (Closed) addendum 5<sup>th</sup> January onwards scheme. The eligibility criteria are the same as those for LRSG (Closed).

### ***Additional Restrictions Grant***

ARG is a fund that has been provided to local authorities to support businesses within their local area. ARG is provided to authorities when they enter Local Covid Alert Level “Very High” – Tier 3 restrictions, or when national restrictions are imposed.

The funding was announced as a one-off payment paid when restrictions are first put into place. In the guidance issued by Government in December 2020 local authorities were advised that the fund would not be topped-up if further national restrictions were implemented.

In January 2021 Government announced a top-up to the scheme for the period of the third national lockdown a further top-up will be provided if existing funds are used by 30<sup>th</sup> June 2021.

ARG is a discretionary fund which is designed to provide support to business which have been significantly impacted by the coronavirus restrictions. Each local authority can determine its own scheme of support.

Redditch Borough Council has implemented a discretionary grant scheme intended to mirror the support available to businesses under the LRSG (Closed) Schemes. ARG (Discretionary Grant) will be provided to businesses which are not eligible for LRSG schemes and are:

- a) Occupying rateable premises and are in the supply chain for businesses within the retail, hospitality, or leisure sectors.
- b) Occupying rateable premises and are within the events, exhibitions or travel and tourism sector
- c) Occupy premises that are not included in the rating list but have been ordered to close.

- d) Occupy premises which have not been ordered to close and are supported by the night-time economy.
- e) Other businesses which can demonstrate a significant loss in income because of the coronavirus restrictions.

Businesses will need to demonstrate a significant impact on income due to the coronavirus restrictions. This will be a loss in income of over 30%.

### ***Restart Grant***

Restart Grant is intended to support businesses that offer in-person services where the main activity takes place in a fixed rate-paying business property.

The restart grant scheme has two tiers of support with lower grants of up to £6,000 paid to businesses in tier 1 and grants of up to £18,000 paid to businesses in tier 2.

To be eligible for a grant the business must be one which would have been required by law to close in January 2021 and must be in occupation of qualifying premises and trading on 1<sup>st</sup> April 2021.

Tier 1 grants are paid to non-essential retail businesses; non-essential retail is a business used wholly or mainly for the purposes of the retail sale or hire of goods or services to the public where the primary purpose of products or services provided are not necessary to the health and well-being of the public.

Tier 2 grants are payable to hospitality, leisure, accommodation, gym and sports, and personal care businesses.

The specific definitions for tier 2 businesses are:

Hospitality: a business whose main function is to provide a venue for the consumption and sale of food and drink

Leisure: a business that provides opportunities, experiences and facilities, in particular for culture, recreation, entertainment, celebratory events, days and nights out, betting and gaming.

Accommodation: a business whose main lodging provision is used for holiday, travel and other purposes.

Gym & Sport: a commercial establishment where physical exercise or training is conducted on an individual basis or group basis, using exercise equipment or open floor space with or without instruction, or where individual and group sporting, athletic and physical activities are participated in competitively or recreationally.

Personal care: a business which provides a service, treatment or activity for the purposes of personal beauty, hair, grooming, body care and aesthetics, and wellbeing.



## Restriction Periods and Grant Schemes Operating

Period Start	Period End	Restriction Level	Grants Available	Application Deadline
1 <sup>st</sup> April 2020	31 <sup>st</sup> August 2020	N/A	SBGF	31 <sup>st</sup> August 2020
			RHLG	
			LADGF	
1 <sup>st</sup> November 2020	4 <sup>th</sup> November 2020	Tier 1	LRSG(S)	14 <sup>th</sup> May 2021
5 <sup>th</sup> November 2020	1 <sup>st</sup> December 2020	National Restrictions	LRSG(C) addendum	14 <sup>th</sup> May 2021
2 <sup>nd</sup> December 2020	30 <sup>th</sup> December 2020	Tier 2	LRSG(O)	14 <sup>th</sup> May 2021
			LRSG(C)	
			LRSG(S)	
			CSP	28 <sup>th</sup> February 2021
31 <sup>st</sup> December 2020	4 <sup>th</sup> January 2021	Tier 3	LRSG(O)	14 <sup>th</sup> May 2021
			LRSG(C)	
			LRSG(S)	
5 <sup>th</sup> January 2021	15 <sup>th</sup> February 2021	National Restrictions	LRSG(C) 5 <sup>th</sup> January	14 <sup>th</sup> May 2021
			CBLP	
16 <sup>th</sup> February 2021	31 <sup>st</sup> March 2021	National Restrictions	LRSG(C) 5 <sup>th</sup> January	31 <sup>st</sup> May 2021
1 <sup>st</sup> April 2021	30 <sup>th</sup> June 2021	N/A	Restart	30 <sup>th</sup> June 2021

- ARG funding is available to be distributed to business or used as wider business support during the period 1<sup>st</sup> November 2020 to 31<sup>st</sup> March 2022.

SBGF: Small Business Grant Fund  
 LADGF: Local Authority Discretionary Grant Fund  
 LRSG(C): Local Restriction Support Grant (Closed)  
 CBLP: Closed Business Lockdown Payment  
 CSP: Christmas Support Payment for Wet-Led Pubs

RHLG: Retail, Hospitality and Leisure Grant Fund  
 LRSG(O): Local Restriction Support Grant (Open)  
 LRSG(S): Local Restriction Support Grant (Sector)  
 ARG: Additional Restrictions Grant  
 Restart: Restart Grant Scheme