



Sandwell Metropolitan Borough Council

Business Rates

**Additional Restrictions
Grants Policy**

2020/21

Meeting Ambitions 9 and 10

Ambition 9



Sandwell has become a location of choice for industries of the future where the local economy and high performing companies continue to grow.

Ambition 10



Sandwell now has a national reputation for getting things done, where all local partners are focused on what really matters in people's lives and communities.

1. INTRODUCTION

The current Coronavirus pandemic in the UK has resulted in many businesses suffering financial hardship.

On 9 September 2020 the Secretary of State for Business, Energy & Industrial Strategy (BEIS) announced that it was providing local authorities with additional grant funding to support businesses that are required to close due to Local Covid Alert Level (LCAL) 3 restrictions imposed on either specific areas or multiple areas. This grant scheme is called the Local Restrictions Support Grant (Closed).

On 9 October 2020 BEIS announced the Local Restriction Support Grant (Sector) scheme to provide support to businesses from 1 November 2020 that have been required to close on a national basis since 23 March 2020 due to restrictions being put in place to manage coronavirus. Businesses eligible for support under this scheme are: -

- Nightclubs, dance halls, and discotheques
- Sexual entertainment venues and hostess bars

On 22 October 2020 BEIS announced a Local Restriction Support Grant (Open) scheme to support businesses who were not legally required to close but were severely impacted by LCAL2 and LCAL3 restrictions.

At the end of October 2020 BEIS extended the Local Restrictions Support Grant (Closed) to incorporate national lockdown restrictions. The extended scheme is known as the Local Restrictions Support Grant (Closed) Addendum. At the same time a discretionary scheme entitled Additional

Restrictions Grant (ARG) was introduced to support businesses affected by either LCAL3 restrictions or national lockdowns.

The ARG is a discretionary scheme to mainly support those businesses affected by the pandemic who are not eligible to obtain support from the other grant schemes. The ARG funding will be used to make discretionary grants direct to eligible businesses and to undertake wider business support activities.

One-off funding for the ARG will be triggered at the point in which a local authority either moves into LCAL3 restrictions or into a national lockdown.

As a nation lockdown came into effect on 5 November 2020 funding for the ARG has been triggered. The one-off funding amount is based on £20 per head population and can be used in 2020-21 and 2021-22 financial years to provide discretionary support to businesses. The funding allocated to Sandwell is £6.569 million

In December 2020 a new LCAL 4 was introduced and in January 2021 a third nation lockdown commenced. BEIS confirmed additional top-up funding would be provided for the ARG so that extra help could be given to businesses during the lockdown.

When the funding has been exhausted no further awards through this policy will be considered.

This policy outlines Sandwell’s application of the ARG.

2. ELIGIBILITY CRITERIA

Businesses that are in administration, insolvent or where a striking-off notice has been made, are not eligible for funding under the ARG scheme.

Businesses must have been trading immediately before national, LCAL 3 or LCAL 4 restrictions to be eligible to receive grant support.

In Sandwell the ARG discretionary scheme will be available to support local businesses which:

- have been required to close by the restrictions but are not on the rating list; such as businesses which lease part of the accommodation from another business and market traders
- have not been legally forced to close but have been severely impacted by the restrictions put in place; for example businesses which supply the retail, hospitality and leisure industries
- Businesses which are important to the local economy

Sandwell will consider the following factors when determining eligibility and the amount of grant payable:

- The circumstances of the businesses
- The impact the pandemic has had on that business
- The social value the business brings to the borough
- The importance of the business to the local economy

Sandwell will also consider utilising this funding to provide additional support to larger local businesses which are important to the local economy and to undertake wider business support activities.

Businesses will be subject to State Aid rules; applicants will be required to complete appropriate disclosures and where these limits are exceeded will not qualify for a discretionary grant under this scheme.

3. AMOUNTS PAYABLE

Awards made through this scheme to cover periods where LCAL restrictions apply will mainly be grant payments made in 28-day cycles. The grant values will be determined using the information supplied during the application process and are likely to be similar to awards under the Local Restrictions Support Grants:

	LRSG (Open) £ per 28 days*	LRSG (Closed) £ per 28 days*
Band 1	934	1,334
Band 2	1,400	2,000
Band 3	2,100	3,000

* During periods of national lockdown, the council may change the payment frequency and amount to allow a single payment to be made covering the entire period of the lockdown.

A business' eligibility to an ARG will be reviewed at the end of each 28-day cycle.

In circumstances where funding is provided for more wider business support activities it may be appropriate to award a one-off lump sum payment to a business.

As this is a cash limited scheme the number of applications received may affect the amount and period of award.

Payment will be made directly to the business' bank account via an electronic transfer (BACS).

When grants have been awarded up to the level of funding received by Sandwell no further grant applications will be successful.

Amounts payable during periods of National Lockdown

In January 2021 the Government announced one-off support grants of £4,000, £6000 and £9,000 to businesses (dependent upon their rateable value) to provide additional help during the lockdown which commenced on 05 January 2021. The grants only support business ratepayers in the retail, hospitality and Leisure industries.

Businesses eligible for support through this ARG policy during the lockdown period will also receive a one-off payment to provide additional support. Amounts payable will be as follows:

	One-off Payment Amount
Band 1	£2,000
Band 2	£3,000
Band 3	£6,000

4. THE APPLICATION PROCESS

An online application form will be made available on www.sandwell.gov.uk

Businesses will be asked to provide evidence to support their application and the online facility will enable them to upload documents.

The application form will gather all the information required to satisfy the eligibility criteria set by the BEIS and locally to determine the amount of grant payable.

This scheme will remain open for applications in accordance with the guidance provided by BEIS.

5. PUBLICITY

To maximise take-up the council will publicise the scheme using a variety of media, including the council's website and social media. We will work with all interested parties to achieve this.

A copy of this policy statement will be made available for inspection and will be posted on the Sandwell Council website www.sandwell.gov.uk.

6. DECISION MAKING PROCESS

In all cases, applicants will be notified of the decision in writing.

The scheme does not allow for any formal right of appeal and therefore once a decision is made it cannot be challenged.

7. OVERPAYMENT AND FRAUD

The council will seek to recover grants found to be overpaid.

The council is committed to identifying and subsequently investigating suspected fraudulent claims made under this scheme. Businesses who falsely declare their circumstances will have committed a criminal offence, which may lead to criminal proceedings being instigated.