

Appendix 1 Burnley Additional Restrictions Grant Scheme

Businesses not eligible for Local Restrictions Grants Closed or Open may be eligible for an Additional Restrictions Grant as set out below.

The amount of funding available is limited to £1.7m in total and once this money is allocated the scheme will close.

To be eligible Businesses must meet all the core eligibility criteria and the criteria set out in one of the categories below.

Core Eligibility Criteria:

- The business is not eligible for LRSO Open or Closed
- the business was open and trading as usual on 4 November 2020
- the business must be based in Burnley
- 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.
- Businesses that are able to continue to trade and can operate their services effectively remotely are not eligible.
- Businesses that have chosen to close but are not required to e.g. non-essential retail will not be eligible for this grant.
- For the avoidance of doubt, businesses that are in administration, insolvent or where a striking-off notice has been made, are not eligible for funding under this scheme.

Category 1

Hospitality and Leisure businesses that are required to close, on 5th November (see list below) but do not occupy commercial premises and are not liable for business rates. This could include for example, small B&B/Guest houses/self-catering accommodation that pay Council Tax, leisure craft and boat hire operators. These businesses will be eligible for single grant payment of £500 for the period 5th November to 2nd December 2020. Hospitality and Leisure businesses may also be eligible for support back dated to 5th August¹ at a rate of £500 per 28-day period.

Businesses must complete the application form and provide evidence requested. Should businesses wish to apply for the additional funding backdated to 5th August then they must supply a written statement with their application setting out how the restrictions have impacted on their business and also show how the businesses income levels have been affected during that period.

Category 2

Hospitality, Leisure and non-essential retail/personal service businesses that are required to close but occupy premises where the landlord is liable for the business rates. These businesses will be eligible for single grant payment of £500 for the period 5th November to 2nd December 2020. Hospitality and Leisure businesses may also be eligible for support back dated to 5th August at rate of £500 per 28-day period.

Businesses will be required to provide to complete an application form and provide evidence of a lease/licence agreement. Should businesses wish to apply for the additional funding backdated to 5th August then they must supply a written statement with their application setting out how the restrictions have impacted on their business and also show how the businesses income levels have been affected during that period.

Category 3

Businesses that are required to close but lease or sub lease a property that is exempt from business rates, e.g., places of worship, properties in historic parks and gardens, are eligible for a single grant payment equal to one month's rent up to a maximum value of £1,500 for the period 5th November to 2nd December. Hospitality and Leisure businesses may also be eligible for support back dated to 5th August on the same basis.

Businesses will be required to provide to complete an application form and provide evidence of a lease/licence agreement. Should businesses wish to apply for the additional funding backdated to 5th August then they must supply a written statement with their application setting out how the restrictions have impacted on their business and also show how the businesses income levels have been affected during that period.

Category 4

Businesses that are required to close that have a RV in excess of £100,000 that meet the definition of a small and medium sized enterprise², will receive a single top up payment of £2000 to cover the period 5th November to 2nd December.

Businesses will need to complete and application form, provide evidence that they meet the criteria of an SME.

Category 5

Businesses in the hospitality and leisure supply chain, for example bakeries, wholesalers, breweries and drinks producers, events suppliers liable for business rates where they are able to demonstrate that at least 50% of their income is derived from supplying the hospitality and leisure sector. Grants will be paid at the following rate:

| | |
|---|--------|
| Properties with a rateable value of less than £15,000; | £934 |
| Properties with a rateable value between £15,001 to £50,999 | £1,400 |
| Properties with a rateable value over £51,000 | £2,100 |

In exceptional circumstances the Council can award a higher rate in line with LRS (Closed) for example where a business is effectively unable to trade even though it is permitted to open.

Businesses will be required to provide a written statement which demonstrates that the businesses supplies into the hospitality and leisure sector supply chain and evidence that 50% or more of the businesses turnover is from these sectors.

Category 6

Businesses in the hospitality, leisure and events supply chain that are outside of the rates system but are able to demonstrate on-going fixed overheads (excluding wages) that are effectively closed. These businesses will be eligible for a single grant of £500 covering the period 5th November to 2nd December.

Businesses will be required to provide a written statement explaining the nature of the businesses and how the current restrictions mean that the business is effectively closed. ARG cannot be used to pay for wage costs (the SEISS and the JRS provide for this) but can be used to cover other fixed over heads. Fixed overheads could include for example, insurances, hire purchase/lease costs for business equipment, storage costs, pitch fees, and applicants will need to provide evidence of these costs.

Category 7

Small independent essential retail businesses that are able to remain open and are liable for business rates, but where they have been affected by a substantial reduction in footfall and turnover if at least 20% as a result of travel restrictions, the closure of offices and neighbouring retail businesses. To be eligible the business must be open and trading on the 5th November and remain open throughout the restrictions period. Grants will be paid at the following rate as a single payment for the period 5th November and ending on 2nd December 2020:

| | |
|---|--------|
| Properties with a rateable value of less than £15,000; | £934 |
| Properties with a rateable value between £15.001 to £50,999 | £1,400 |

Businesses will be required to provide evidence of a decrease in turnover of 20% or more as a result of the additional restrictions, compared to the previous three month period (Aug – October 2020).

Category 8

Taxi hire businesses that occupy premises with a rateable value that are able to demonstrate a significant reduction of at least 20% in turnover will be eligible for a grant at the following rate per 28 day period starting 17th October³:

| | |
|---|--------|
| Properties with a rateable value of less than £15,000; | £934 |
| Properties with a rateable value between £15.001 to £50,999 | £1,400 |
| Properties with a rateable value over £51,000 | £2,100 |

Businesses will be required to provide a written statement demonstrating how the business has been impacted due to the restrictions. The statement will also need to include a financial statement demonstrating a 20% financial reduction in the business for the period 17th October to 2nd December.

Category 9

Self Employed Hackney Cab and Private hire drivers are eligible for a one-off grant of £500 for the period 17th October to 2nd December, where they are able to demonstrate a substantial (20%+) reduction in business (e.g. turnover, income) as a result of the Tier 3 and national restrictions and where they can demonstrate on-going fixed overheads

Businesses will be required to provide a written statement demonstrating how the business has been impacted due to the restrictions. The statement will also need to include a financial statement demonstrating a minimum 20% financial reduction in the business for the period 17th October to 2nd December. Additional Restrictions Grant cannot be used to pay for wage costs (the Self-Employed Income Support Scheme and the Job Retention Scheme provide for this) but can be used to cover other fixed over heads. Fixed overheads could include for example, insurances, hire purchase/lease costs for business equipment, storage costs, license fees, and applicants will need to provide evidence of these costs.

The Council's decision is final and there is no process of appeal

Notes: -

¹ This is the date Burnley entered Local Covid Alert Level 2.

² Enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro, and/or an annual balance sheet total not exceeding 43 million euro."

³ This is the date Burnley entered Local Covid Alert Level 3

Businesses Required to Close: <https://www.legislation.gov.uk/uksi/2020/1200/schedule>