



## **Local Restrictions Support Grant (Closed) Version 2 - Guidance Notes for Applicants**

The Local Restrictions Support Grant (Closed) Version 2 is applicable from 00.01 on 2 December 2020. From that point it supersedes the Local Restriction Support Grant (Closed) Addendum scheme.

This scheme will support businesses required to close under Tier 2 or Tier 3 restrictions. Payments under this scheme will be for 14-day restriction periods (see below).

The Council is responsible for making payments to businesses as soon as possible.

### **Funding**

The funding is only available for businesses required to close who have a rateable value within the business rates system. Payments will be made in 14-day tranches as follows:

- Businesses occupying hereditaments appearing on the local rating list with a rateable value of exactly £15,000 or under will receive a payment of £667 per 14-day qualifying restriction period.
- Businesses occupying hereditaments appearing on the local rating list with a rateable value over £15,000 and less than £51,000 will receive a payment of £1,000 per 14-day qualifying restriction period.
- Businesses occupying hereditaments appearing on the local rating list with a rateable value of exactly £51,000 or above will receive £1,500 per 14-day qualifying restriction period.

### **Who will receive this funding?**

The person who according to the billing authority's records was the ratepayer in respect of the hereditament on the date of the first full day of local restrictions is eligible for the grant.

## **Exclusions**

- Businesses that are able to conduct their main service because they do not depend on providing direct in-person services from premises and can operate their services effectively remotely (e.g. accountants, solicitors).
- Businesses subject to local restrictions that are implemented for less than 14 days and businesses that are closed for less than 14 days are not eligible for grant funding.
- Businesses in areas outside the scope of the localised restrictions, as defined by Government, are also excluded.
- Businesses that have chosen to close but not been required to will not be eligible for this grant.
- Businesses that 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.
- For the avoidance of doubt, businesses that were in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.

## **Who can apply?**

Businesses occupying properties appearing in the local rating list and required to close due to Tier 2 or Tier 3 restrictions.

Businesses must have been trading the day before local restrictions came into force to be eligible to receive funding under this scheme. Where local restrictions are preceded by national 'lockdown' measures, requiring the extended closure of eligible businesses, it is accepted that those businesses are still trading.

## **How to apply for the COVID-19 LRSG (Closed) Version 2**

Businesses who qualify for this scheme are those who were successful applicants under the Local Restrictions Support Grant Closed (Addendum) scheme that covered the period 5 November to 2 December. In order to reduce the administrative burden an email will be sent to those successful businesses with a link to a shortened electronic form for completion.

The form prompts applicants for confirmation of certain information. The applicant must also complete a declaration.

The Council may request additional information or supporting documentation where necessary.

Queries regarding this scheme can be addressed to the County Council at the following dedicated email address: covidgrants@northumberland.gov.uk

**When will applicants receive the grant if their application is successful?**

The Government has asked that Northumberland County Council provides local businesses with the grant funding as soon as possible.

**Will the grant be subject to tax?**

Grant income received by a business is taxable. The Local Restriction Support Grant (Closed) Version 2 will need to be included as income in the tax return of the business. Only businesses that make an overall profit once grant income is included will be subject to tax.

**Managing the risk of fraud**

Neither the Government nor Northumberland County Council will 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.

It is important that applicants ensure that they provide accurate bank details for grant payments and that these relate to the business concerned.