

# Businesses in England to receive £2.2 billion to see them through national restrictions



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Grants of £2.2 billion to be distributed to businesses across England by councils

support aimed at businesses that have been required to close restrictions, with local authorities given extra cash to help other businesses at their discretion

package builds on £200 billion already provided to support jobs, incomes and businesses since the start of the pandemic

Small businesses in England will receive a significant £2.2 billion from the government to help them through the current period of national restrictions.

Businesses will benefit from 2 grant schemes: one for businesses that have had to close, and another scheme for further business support as a result of the coronavirus pandemic, helping support people's jobs and livelihoods and protect communities.

Money is being transferred to councils in England today (13 November) and businesses can expect to receive money covering the 4-week period of national restrictions in the coming days and should check their council's website for details.

Business Secretary Alok Sharma said:

We know that this is a really tough time for businesses across the country, which is why we are continuing to deliver a wide-ranging package of urgent support.

This much-needed cash will help to sustain businesses, protect jobs and keep communities ticking as we continue to tackle the virus in the coming weeks.

Minister for High Streets Kelly Tolhurst MP said:

This funding will help to protect jobs and give businesses on the high street added security at this time. The ban on commercial evictions until the end of the year provides landlords and tenants with an opportunity to reach an agreement which can help businesses to continue operating.

The grant schemes are:

The Local Restrictions Support Grants, for businesses which have had to close or have been severely impacted by local restrictions (hospitality, leisure and non-essential retail sectors):

business owners will receive £1,334 per 4 weeks if they have a rateable value below £15,000

they will receive £2,000 per 4 weeks if they have a rateable value between £15,000 and £51,000

they will receive £3,000 per 4 weeks if they have a rateable value above £51,000

The Additional Restrictions Grant, provided by councils on a discretionary basis.

Local authorities will receive a sum of money equivalent to £20 per head of their local population to distribute to businesses which have been severely impacted by restrictions. For example, a council covering an area with a population of 100,000 would receive £2 million for this purpose. Those likely to be in receipt of these grants include large employers with significant fixed costs such as seaside attractions or local manufacturers, as well as sole traders, tour operators and market traders who do not have a rateable value.

This includes businesses like pubs not serving substantial meals, betting shops, arcades and soft play centres in areas like Liverpool, Greater Manchester and South Yorkshire. Some

places such as South Yorkshire and Liverpool City Region negotiated their support under this scheme prior to the national lockdown.

In total, £2.2 billion will be given to businesses across England to support jobs, livelihoods and local communities.

Businesses are urged to engage with their local authority and ensure that council officials have contact and payment information for them. They risk not receiving this vital support if they do not.

The 2 new grants schemes are designed to support jobs and livelihoods. As well as the grants, the government has also announced:

an extension to the furlough scheme until March – with government covering 80% of wages

more generous support to the self-employed – equivalent to the generosity of the furlough scheme

an extension to the existing government-backed loan schemes

an extension to the mortgage payment holiday for homeowners

reduced VAT for hospitality, accommodation and attractions until the end of March 2021

business rates relief for hospitality, retail, leisure and nurseries until the end of March 2021

the £1.57 billion Culture Recovery Fund

extended support to prevent business evictions until the end of the year

Additional information

total money allocated to local authorities in each region has been calculated in proportion to local population size and estimates of the numbers of businesses required to close

the Local Restrictions Support Grants (Closed) Addendum is mandatory grant funding for businesses that have a rateable

value (but note the scheme is not based on eligibility for rate reliefs, commonly applied thresholds in the rating system are used to set different grant rates)

during this period a single grant to cover the 4-week period will be paid to each eligible business. The grant amounts will be fixed. Businesses with more than one qualifying property will receive more than one grant.

to allow funding to be paid to local authorities, each will get an allocation. Where this is insufficient to meet needs, top-up payments will be made so each local authority has the funding it needs

the Additional Restrictions Grant (ARG) will provide local authorities with additional funding to enable them to support other businesses that have had their trade affected by the restrictions

the ARG is a one-off payment for local authorities in financial year 2020/2021 and is to be used in 2020/2021 and 2021/2022 and will not be renewed

local authorities in LCAL High (Tier 3) will receive the amount they negotiated at the time of moving into that Tier. Areas that agreed collective payments (for example to a Mayoral Combined Authority or Upper Tier Local Authority) will have those arrangements honoured)

Local Restrictions Support Grant (Sector) will allow grants of up to £3,000 per 4-week period to be made to businesses like nightclubs that were required to close. This grant scheme is effective from 1 November

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