

## Fact sheet: Local authority business grants

Policy	Local authority business grants											
<b>Objective</b>	The government is introducing a new grant scheme to support businesses that are experiencing difficulties because of the Omicron variant, and the dual impact of staff absences and lower consumer demand.											
<b>Beneficiaries</b>	<p>Hospitality (defined as accommodation, food &amp; beverage services) and leisure premises will benefit from targeted grant support.</p> <p>The Additional Restrictions Grant (ARG) will also be topped up so local authorities (LAs) can continue to use their discretion to support other businesses in their area, based on local economic need.</p>											
<b>Territorial extent</b>	England only, with Barnett implications.											
<b>Design and eligibility criteria</b>	<p><b>£1 billion of grants for businesses impacted by Omicron across the UK:</b></p> <p><u>Nearly £700 million of targeted grants for hospitality and leisure businesses in England:</u></p> <p>Recipients must be solvent businesses, and ratepayers in the hospitality and leisure sector. For example, a pub; hotel; restaurant; bar; cinema; or amusement park.</p> <p>Grants are per premises and the amount paid is varied by rateable value (RV) of each eligible premises, in three bands: £0-15k; £15-51k; and over £51k.</p> <table border="1" style="width: 100%; text-align: center; border-collapse: collapse;"> <thead> <tr style="background-color: #800000; color: white;"> <th>Rateable Value</th> <th>£0-15k</th> <th>£15-51k</th> <th>&gt;£51k</th> </tr> </thead> <tbody> <tr> <td>Value of grant available</td> <td>£2.7k</td> <td>£4k</td> <td>£6k</td> </tr> </tbody> </table> <p>This scheme will cost <b>£683 million</b>.</p> <p><u>Over £100 million of discretionary funding for local authorities in England:</u></p> <p>In addition, LAs in England will receive a top-up worth a total of £102 million to their ARG fund. Up to £250 million is still currently with LAs, which we expect them to distribute.</p>				Rateable Value	£0-15k	£15-51k	>£51k	Value of grant available	£2.7k	£4k	£6k
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	<p>This £102 million top-up, combined with the £2 billion previously allocated to LAs, means that they will have received over £2.1 billion of discretionary grant funding to support businesses in their local area who are experiencing a severe impact due to the Omicron variant.</p> <p>The ARG top up will be prioritised for those LAs who have distributed their existing allocation. Use of this funding is at the LA's discretion but is intended to support businesses who are impacted by COVID-19 but may not be eligible for the hospitality and leisure grant.</p> <p><u>£30 million made available through the Culture Recovery Fund:</u></p> <p>£30 million of further funding will be made available through the Culture Recovery Fund to support organisations in England such as theatres, orchestras and museums through the winter. This builds on nearly £240 million allocated to cultural organisations so far this year or currently available for applications online.</p> <p><u>Around £150 million for the Devolved Administrations through the Barnett formula</u>, which counts towards the £860 million funding guarantee announced by the UK Government for the devolved administrations in the last week. If additional funding is due to the Devolved Administrations as a result of new announcements, the UK Government will honour that.</p>
<p><b>Duration of scheme</b></p>	<p>Final application and payment dates for the hospitality and leisure grants and the ARG will be confirmed in guidance published by BEIS.</p> <p>The further funding made available through the Culture Recovery Fund will support the sector until March 2022. Further details on how organisations can access funding will be set out in due course.</p>
<p><b>Legislation and State Aid</b></p>	<p>No legislation is required.</p> <p>All grants will be subject to the subsidy control allowances. The subsidy control policy will be published as part of the scheme guidance.</p>
<p><b>Compliance measures</b></p>	<p>Businesses that are in administration, insolvent or where a striking-off notice has been made, are not eligible for funding under this scheme.</p> <p>The government will not accept deliberate manipulation and fraud. Any business caught falsifying their records to gain</p>

	<p>additional grant money will face prosecution and any funding issued will be recovered, as may any grants paid in error.</p> <p>LAs are responsible and accountable for the lawful use of funds and must be satisfied that all eligibility and subsidy allowance conditions have been fully complied with when making grant payments. To do this, LAs will be expected to have pre- and post-payment assurance plans in place and undertake a Fraud Risk Assessment.</p>
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