

ALLENS ACCOUNTANTS BUSINESS SUPPORT GRANT FUNDING

Below is a summary of what we currently know (as of 02/04/2020).

This support will take the form of two grant funding schemes as follows:

1. Small Business Grant Fund
2. Retail, Hospitality and Leisure Grant Fund

The latest government guidance to Local Authorities is that they must call or write to each eligible business, stating that by accepting the grant payment, the business confirms that they are eligible for the grant schemes. This includes where the Local Authority already holds bank details for the business and are in a position to send out funding immediately.

Local Authorities appreciate that many businesses might be unable to access their business post and have therefore provided online applications through their website for such businesses that think they are eligible. You will need your Non-Domestic Rates (NDR) account number in order to apply online, which can be found on a copy of a previous rates bill. If you can't find your NDR account number then you will need to email your Local Authority to request this and you should find a dedicated email address through their website.

We expect Local Authorities to be in contact very shortly, if they haven't been in touch already, however we would still encourage businesses to be proactive in accessing support by contacting their Local Authority directly via the methods advised on their individual websites – each Local Authority seems to have a slightly different process. It is worth noting that this may take some time due to unprecedented demand.

Small Business Grant Fund

If you have a single business premises with a rateable value of up to £15,000, as at 11 March 2020, then you should be in receipt of Small Business Rates Relief and therefore eligible for a grant of £10,000.

If a business has multiple properties then it is unlikely that they will qualify for SBRR and therefore won't be eligible for the grant. If a business owns more than one property, it will only be eligible for SBRR if the rateable value of each **other** property is less than £2,900 and the total rateable value of all properties is less than £20,000. In this case then the SBRR is applied to the main property and you will still be eligible for the £10,000 grant. However, if not eligible under this scheme then you might still be eligible for the Extended Retail Relief Grant – see below.

Extended Retail Relief Grant

Business premises with a rateable value, as at 11 March 2020, of less than £51,000 that are occupied for use in the **retail, hospitality and leisure** industry will be entitled to a grant of up to £25,000 **per property**.

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Eligible properties with a rateable value up to and including £15,000 will be entitled to a grant of £10,000. This grant will take preference to any grant provided under the Small Business Grant Fund and you will not be able to claim both grants for the same property.

Eligible properties with a rateable value over £15,000 and less than £51,000 will receive a grant of £25,000 **per property**.

We have included a list of properties deemed to be in the retail, hospitality and leisure industry at the end of this guide (pages 4-6), along with properties specifically excluded from the scheme. Please note that this list is not intended to be exhaustive as it would be impossible to list the many and varied uses that exist. The responsibility has therefore been given to each Local Authority to determine whether properties not specifically listed are broadly similar in nature to those listed and, if so, consider them eligible for relief.

Relevant for both Grant Schemes

The simplest way to check the rateable value of your business property and whether you received SBRR or Retail Relief is to look at your latest rates bill, which you should have received in March

If you move out of any eligible premises in the next 12 months then you won't be expected to repay any grants.

Any grants received will be taxable.

Some businesses might make a single payment to their landlord which includes rent and rates. Unfortunately, any such business will not be eligible for these grants and only the business which is registered with the Local Authority and is in receipt of either SBRR or 100% Extended Retail Relief will be eligible.

Any properties occupied for personal use such as private stables, beach huts and moorings will not be eligible.

Car parks and parking spaces will not be eligible.

Extended Retail Relief

Any properties that are occupied in the **retail, leisure and hospitality** industry will be entitled to 100% relief against their business rates for 2020/21, regardless of the property's rateable value. This relief is available for each eligible property.

The list of properties that are eligible for this scheme are the same as those listed for the Extended Retail Relief Grant.

For the avoidance of doubt, any property which has closed temporarily due to the government's advice on COVID 19 should be treated as occupied for the purposes of this relief.

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Local Authorities will have already issued rates bills for 2020/21 before this support was announced and they are therefore currently in the process of reissuing amended bills to include the relief. Local authorities are advising not to cancel your Direct Debit and if you are entitled to the Extended Retail Relief then they will not collect payment in April. Local Authorities will be using your bank details in order to make payment of any grants.

Other considerations

The government has been very clear, reinforced by Local Authorities, that it will not accept any manipulation or fraud. It has stated that any business found to be falsifying their records to gain additional grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.

You do not need to engage rating agents or other organisations outside of the Local Authority to claim the support that is available. These agents will most likely take a percentage of any relief or grant that they claim on your behalf. Please be particularly cautious with any documents that you are asked to sign and how you respond to organisations that may contact you offering support.

We are aware of certain taxpayers who are receiving telephone calls from individuals purporting to be from Local Authorities and asking for bank details to enable payment. Please note that your Local Authority **will not** telephone you and ask for your bank details to be given over the phone.

The above guidance applies to properties based in England and any properties outside of England could be subject to different rules. Please do not hesitate to contact us if you have queries in connection with properties based in Scotland, Wales and Northern Ireland.

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Eligible businesses deemed to be in the retail, hospitality and leisure industry

Eligible properties will be those that are occupied whole or mainly:

- a) As shops, restaurants, cafes, drinking establishments, cinemas and live music venues;
- b) For assembly and leisure; or
- c) As hotels, guest and boarding premises and self-catering accommodation.

The following are considered to be shops, restaurants, cafes, drinking establishments, cinemas and live music venues:

i. Properties used for the sale of goods to visiting members of the public:

- Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/caravan show rooms
- Second-hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

ii. Properties that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as: hairdressers, nail bars, beauty salons, tanning shops, etc)
- Shoe repairs/key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/TV/domestic appliance repair
- Funeral directors
- Photo processing
- Tool hire
- Car hire
- Employment agencies

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- Estate agents and letting agents
- Betting shops

iii. Properties that are being used for the sale of food and/or drink to visiting member of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

iv. Properties which are being used as cinemas

v. Properties which are being used as live music venues

The following are considered to be for assembly and leisure:

i. Properties that are being used for the provision of sport, leisure and facilities to visiting members of the public (including for the viewing of such activities):

- Sports grounds and clubs
- Museums and art galleries
- Nightclubs
- Sport and leisure facilities
- Stately homes and historic houses
- Theatres
- Tourist attractions
- Gyms
- Wellness centres, spas, massage parlours
- Casinos, gambling clubs and bingo halls

ii. Properties that are being used for the assembly of visiting member of the public:

- Public halls
- Clubhouses, clubs and institutions

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The following are considered to be hotels, guest and boarding premises and self-catering accommodation:

i. Properties where the non-domestic part is being used for the provision of living accommodation as a business

- Hotels, Guest and Boarding Houses
- Holiday homes
- Caravan parks and sites

Businesses deemed NOT to be in the retail, hospitality and leisure industry

The list below sets out the types of uses that the government does not consider to be an eligible use for the purpose of retail, hospitality and leisure.

i. Properties that are being used for the provision of the following services to visiting member of the public

- Financial services (e.g. banks, building societies, cash points, bureaux de change, short-term loan providers)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers)
- Post office sorting offices

iii. Properties that are not reasonable accessible to visiting members of the public