



Department for
Business, Energy
& Industrial Strategy

Frequently Asked Questions (FAQs)

for Tier 4 and January lockdown



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If you have any enquiries regarding this document/publication, to us at: enquiries@beis.gov.uk

Department of Business, Energy and Industrial Strategy

1 Victoria Street

London

SW1H 0ET Telephone: 020 7215 5000

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About this document

This document is aimed at Local Authorities to provide answers to Frequently Asked Questions regarding the eligibility criteria and management of the Additional Restrictions Grant, the Local Restrictions Support Grant (Closed) Addendum: Tier 4, the Local Restrictions Support Grant (Closed) Addendum: 5 January onwards and the Closed Businesses Lockdown Payment (CBLP) schemes.

On 19 December 2020, Government announced the tiering system had been extended to include a fourth tier to help manage the spread of COVID-19:

<https://www.gov.uk/guidance/tier-4-stay-at-home>

The Local Restrictions Support Grant (Closed) Addendum: Tier 4 scheme was launched to support those businesses in England legally required to close as a result of Tier 4 restrictions.

On 4 January 2021, Government announced that a new national lockdown would be introduced starting 5 January 2021. The Chancellor subsequently announced further measures to support business required to close across the country, including grant funding through the Local Restrictions Support Grant (Closed) Addendum: 5 January onwards and the Closed Businesses Lockdown Payment (CBLP) schemes:

<https://www.gov.uk/government/news/46-billion-in-new-lockdown-grants-to-support-businesses-and-protect-jobs>

Guidance on these schemes has been published on GOV.UK. See link for Local Authority guidance: <https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities>

For further information on business support, visit: www.gov.uk/coronavirus/business-support

General

1. What funding schemes are available from 5 January 2021 under national restrictions?

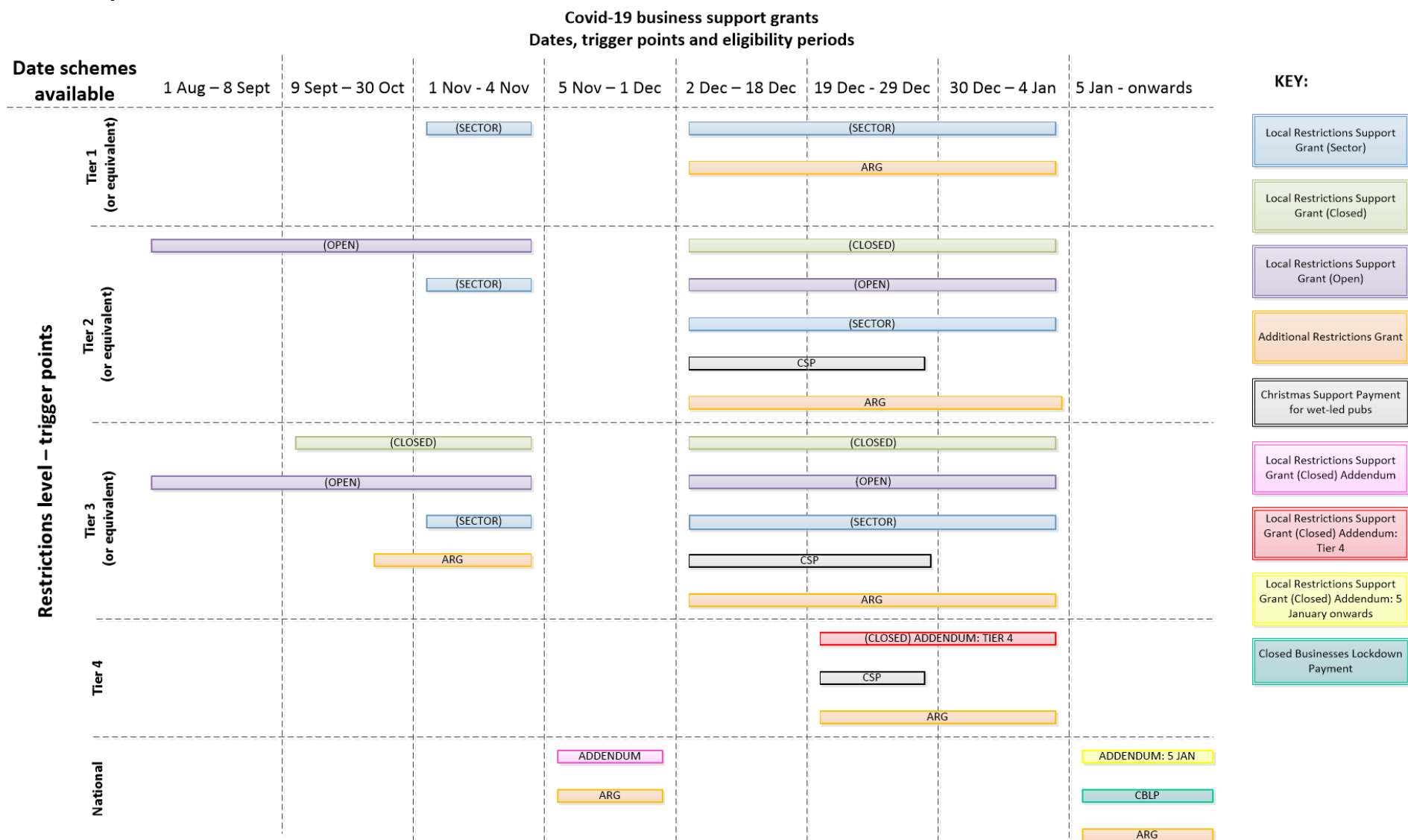
Available Covid-19 business grants from 5 January 2021 under national restrictions

Local Restrictions Support Grant (Closed) Addendum: 5 January onwards
For rate-paying businesses mandated to close under national restrictions

Closed Businesses Lockdown Payment
One-off grant for rate-paying businesses mandated to close under national restrictions

Additional Restrictions Grant
Discretionary scheme to provide grants and wider business support to businesses impacted by local and national restrictions

2. Some schemes have been updated or their eligibility period has closed, can you show us the dates schemes have been operational from and to?



3. Will Local Authority and business guidance be updated to reflect the latest tiering policy changes?

Yes, new Local Authority guidance and business guidance has been published on GOV.UK.

LRSB (Closed) Addendum: Tier 4

- Local Authority guidance: <https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities>
- Business guidance: <https://www.gov.uk/government/collections/financial-support-for-businesses-during-coronavirus-covid-19#support-for-businesses-affected-by-coronavirus-restrictions>

Business Support Package for the January Lockdown, including LRSB (Closed) Addendum: January 5 onwards and Closed Businesses Lockdown Payment

- Local Authority guidance: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/951799/business-support-package-january-2021-lockdown-la-guidance.pdf
- Business guidance: to be published in due course

4. Do other LRSB schemes and ARG apply in Tier 4 or national lockdown?

LRSB (Closed), LRSB (Open) and LRSB (Sector) do not apply when Local Authorities enter Tier 4 or national restrictions. Businesses supported under the previous schemes can apply for support under the LRSB (Closed) Addendum: Tier 4 and the Additional Restrictions Grant in Tier 4.

The Christmas Support Payment for wet-led pubs scheme will be paid to eligible businesses that entered Tier 4 between 2 and 29 December 2020 if they had not already qualified for the grant.

Under national restrictions beginning 5 January 2021, businesses supported under previous schemes can apply for support through the LRSB (Closed) Addendum: 5 January onwards, the Closed Businesses Lockdown Payment and the Additional Restrictions Grant.

Local Authorities can continue to use the ARG scheme to support businesses ineligible for other schemes or to offer additional support for businesses already receiving grants.

When previous schemes were superseded, applications can still be made for eligible periods before national restrictions and Tier 4 came into force.

5. If Local Authorities are placed in Tier 2 or Tier 3 for less than the respective 14-day qualifying periods before being moved to Tier 4 or national lockdown, will payments of eligible schemes be made pro-rata?

Yes. Where a Local Authority is subject to local restrictions prior to Tier 4 or national restrictions being imposed, the Local Authority will remain eligible to claim for applicable variations of the Local Restrictions Support Grants during the period before Tier 4 or national restrictions came into force. If a Local Authority changes tier mid-way through a payment cycle, the payment should be made pro-rata to reflect time spent in each relevant tier.

For example, if a Local Authority entered Tier 3 on 19 December 2020, then Tier 4 on 26 December, then 10 days later entered national lockdown, the Local Authority would be eligible for the following grants:

LRSB (Sector) - 19 December – 25 December = 7 days pro-rata

LRSB (Closed) - 19 December – 25 December = 7 days pro-rata

LRSB (Open) - 19 December – 25 December = 7 days pro-rata

LRSB (Closed) Addendum: Tier 4 – 26 December – 4 January = 10 days pro-rata

6. Can funds from separate LRSB schemes, ARG and other schemes be bundled into single payments to businesses?

Payments from different schemes may be combined into a single payment to businesses to ensure support is delivered as soon as possible. Reporting must be done separately for each scheme.

Local Authorities are expected to pay grants under the LRSB (Closed) Addendum: 5 January onwards and the Closed Businesses Lockdown Payment in one single payment to eligible businesses.

Local Authorities are responsible for administering the grant schemes and presenting the schemes to local businesses. However, the allocation of grants should not breach any of the terms under the guidance documents and it should be made explicit to businesses that this is HMG funding. Local Authorities will also be accountable to Government for any decisions they make regarding the administration of the grant schemes.

ARG grants can be paid to businesses in receipt of LRSB (Closed), LRSB (Closed) Addendum, LRSB (Sector) and LRSB (Open).

Regardless of how Local Authorities choose to distribute grant funding, they will still be responsible for separate monitoring and reporting of the schemes.

7. Will New Burdens payments be provided for the new Addendum schemes and the CBLP?

Government is committed to meeting the New Burdens costs to Local Authorities for these schemes. A New Burdens Assessment will be completed through an iterative process between Government and Local Authorities, and funding will then be provided to Local Authorities.

8. Are Local Authorities required to run new application processes for every scheme?

Local Authorities will need to use their judgement about whether they need a new application process for each scheme. It may be that previous grant rounds have resulted in an accurate list of those businesses that need to be paid, particularly when the criteria remain the same. For example, LRSG (Closed) Addendum: 5 January onwards and the Closed Businesses Lockdown payment share the same eligibility.

9. Do changes to a business's rateable value after 5 January 2021 impact the amount of funding a business receives through the LRSG (Closed) Addendum 5 January onwards or CBLP schemes?

A business will receive payments under these schemes based on its rateable value on 5 January 2021.

In cases where it was factually clear to the Local Authority that the rating list was inaccurate on 5 January 2021, Local Authorities may withhold the grant and/or award the grant based on their view of who would have been entitled to the grant had the list been accurate. This is entirely at the discretion of the Local Authority.

10. What support is available for businesses that do not have rateable property costs?

Businesses without rateable property costs will be eligible for funding under the Additional Restrictions Grant (ARG) and the Local Restrictions Support Grant (Open), depending on Local Authority criteria and eligibility for these schemes.

11. Is there a comprehensive list of all communications regarding the Local Restrictions Support Grants and related grants?

Local Authority guidance:

- LRSG (Closed) Addendum:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/935131/local-restrictions-support-grant-CLOSED-ADDENDUM-la-guidance.pdf
- LRSG (Closed) Addendum: Tier 4:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/948113/local-restrictions-support-grant-closed-addendum-tier-4-la-guidance.pdf
- Business Support Package for the January Lockdown:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/951799/business-support-package-january-2021-lockdown-la-guidance.pdf
- LRSG (Closed):
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/946371/local-restrictions-support-grant-CLOSED-9-sep-5-nov-2020-la-guidance.pdf
- LRSG (Closed) Version 2:
<https://assets.publishing.service.gov.uk/government/uploads/system/uploads/>

[attachment_data/file/946370/local-restrictions-support-grant-CLOSED-dec2-2020-onwards-la-guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/946370/local-restrictions-support-grant-CLOSED-dec2-2020-onwards-la-guidance.pdf)

- LRSG (Open):
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/946374/local-restrictions-support-grant-OPEN-1-aug-5-nov-la-guidance.pdf
- LRSG (Open) Version 2:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/946373/local-restrictions-support-grant-OPEN-2-dec-onwards-la-guidance.pdf
- LRSG (Sector):
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/946375/local-restrictions-support-grant-SECTOR-la-guidance.pdf
- ARG:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/946372/additional-restrictions-grant-la-guidance.pdf
- Christmas Support Payment for wet-led pubs:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/946376/christmas-support-payment-la-guidance.pdf

Business guidance:

- LRSG (Closed): <https://www.gov.uk/guidance/check-if-youre-eligible-for-the-coronavirus-local-restrictions-support-grant-for-closed-businesses>
- LRSG (Closed) Addendum: <https://www.gov.uk/guidance/check-if-your-business-is-eligible-for-a-coronavirus-grant-due-to-national-restrictions-for-closed-businesses>
- LRSG (Open): <https://www.gov.uk/guidance/check-if-youre-eligible-for-the-coronavirus-local-restrictions-support-grant-for-open-businesses>
- LRSG (Sector): <https://www.gov.uk/guidance/check-if-your-nightclub-dance-hall-or-adult-entertainment-business-is-eligible-for-a-coronavirus-grant-due-to-national-restrictions>
- ARG: <https://www.gov.uk/guidance/check-if-youre-eligible-for-the-coronavirus-additional-restrictions-grant>
- Christmas Support Payment for wet-led pubs:
<https://www.gov.uk/guidance/check-if-youre-eligible-for-the-christmas-support-payment-for-wet-led-pubs>
- Business Support Package for the January Lockdown: to be published in due course.

Frequently asked questions:

- Circulated 9 November 2020:
 - LRSG (Closed) Addendum FAQs
 - LRSG (Closed) FAQs
 - LRSG (Open) FAQs
 - LRSG (Sector) FAQs
 - ARG FAQs
- Circulated 23 November 2020:
 - Extended FAQs Issue 2
- Circulated 9 December 2020:

- Extended FAQs Issue 3
- Circulated 17 December 2020:
 - LRSG, ARG, CSP compilation FAQs
- Circulated 15 January 2021:
 - FAQs for Tier 4 and January lockdown

Previous Frequently Asked Questions were circulated to Local Authorities via email.

12. If discretionary funding is provided for a particular period of restrictions under the LRSG (Open) scheme, but some funding remains unspent after that period, can the remaining funding be put towards future periods of restrictions?

Local Authorities should pay businesses in line with the restriction period to which the funding was allocated to ensure local economies are supported during restrictions. If funding provided through LRSG (Open) is not fully paid out during a restriction period, then a Local Authority is expected to issue funds to eligible businesses as soon as possible.

Local Restrictions Support Grant (Closed)

Addendum: Tier 4

General

13. When does this scheme take effect?

This scheme takes effect from 19 December 2020.

14. How much funding will be provided?

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

Eligibility

15. Which businesses are eligible for LRSG (Closed) Addendum: Tier 4?

Businesses that have been required to close in areas subject to Tier 4 restrictions will be eligible.

Restrictions will be published by Government on GOV.UK setting out which businesses are required to close in each Local Authority area. This official guidance will determine which businesses in each area would be eligible.

Businesses that can continue to trade because they do not depend on providing direct in-person services from premises and can operate their services effectively remotely (e.g. accountants, solicitors) are not eligible. Businesses in areas outside the scope of the localised restrictions, as defined by Government, are also excluded. Businesses that operate primarily as an in-person venue but have been forced to close these services and instead provide takeaway-only or delivery services are eligible.

16. Please can you provide a full list of businesses mandated to close under Tier 4 restrictions?

A list of businesses mandated to close can be found at Annex A of this document. To see the full legislation, including a list of exceptions, please see <https://www.legislation.gov.uk/ukxi/2020/1374>.

17. When do businesses need to have been trading by in order to be eligible for the LRSG (Closed) Addendum: Tier 4 funding?

Businesses must have been trading from the day before the 19 December 2020 announcement of Tier 4 restrictions. Where businesses were closed due to restrictions that preceded the Tier 4 restrictions, it is accepted that those businesses are still trading. Please see Q63 for further information on what constitutes trading.

18. If a business is required to close but does not do so for the full 14-day period of national restrictions, would it be eligible to receive payments under LRSG (Closed) Addendum: Tier 4 scheme?

The Health Protection (Coronavirus Restrictions) Regulations 2020 states that a business required to close “must cease to carry on that business or provide that service”. To remain open would be against the law and any business doing so will be ineligible for a grant. A business is required to self-declare that it has closed when it applies for a grant under the LRSG (Closed) Addendum: Tier 4 scheme. A business that was required to close but remained open for part of the 14-day payment cycle would not receive a pro-rata payment for this grant. If a previously non-compliant business were to become compliant, it can be considered eligible for a future payment cycle if applicable.

Payment process

19. How often should businesses be paid?

Payment should be made to businesses under this scheme every 14 days or as soon as possible.

20. Who will receive the grant funding?

Grants are payable to the person who, according to the billing authority's records, was the ratepayer in respect of the hereditament on 5 January 2021.

21. Will further funding be available if Local Authorities spend their full LRSG (Closed) Addendum: Tier 4 allocation?

Yes, if Local Authorities spend the initial allocation of 90% of the estimated grant funding, Government will pay Local Authorities the further agreed funding. When all eligible businesses in a Local Authority have been paid, there will be no further payments to Local Authorities under this scheme.

22. If Local Authorities are placed in Tier 4 for less than the 14-day qualifying restriction period, will payments be made pro-rata?

Yes. If a Local Authority moves from Tier 4 to national lockdown mid-way through a payment cycle, the payment should be made pro-rata to reflect time spent in each relevant tier.

For example, if a Local Authority entered Tier 4 on 26 December 2020, but only 10 days later entered national lockdown, the Local Authority would be eligible to receive a grant for a 10-day pro-rata payment.

Exclusions

23. Are there any exclusions to businesses receiving this funding?

Only businesses required to close as part of local restrictions introduced under Tier 4 from 19 December onwards are eligible to receive this funding. Therefore, the following businesses are excluded:

- 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) are excluded.
- Businesses in areas outside the scope of the national 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 are in administration, are insolvent, are struck off or are subject to a striking-off notice are not eligible for funding under this scheme.

Local Restrictions Support Grant (Closed)

Addendum: 5 January onwards

General

24. When does this scheme take effect?

The scheme takes effect from 5 January 2021.

25. How much funding will be provided?

The following thresholds apply to LRSG (Closed) Addendum for 5 January onwards:

- a) Businesses occupying hereditaments appearing on the local rating list with a rateable value of exactly £15,000 or under on the commencement date of the widespread national restrictions will receive a payment of £2,001 per 42-day qualifying restriction period.
- b) Businesses occupying hereditaments appearing on the local rating list with a rateable value over £15,000 and less than £51,000 on the commencement date of the widespread national restrictions will receive a payment of £3,000 per 42-day qualifying restriction period.
- c) Businesses occupying hereditaments appearing on the local rating list with a rateable value of exactly £51,000 or above on the commencement date of the widespread national restrictions will receive £4,500 per 42-day qualifying restriction period.

Eligibility

26. Which businesses are eligible for LRSG (Closed) Addendum: 5 January onwards?

Businesses that have been required to close due to national restrictions will be eligible (please see Annex A for a full list of businesses mandated to close).

Restrictions will be published by Government on GOV.UK setting out which businesses are required to close. This official guidance will determine which businesses would be eligible.

Businesses that are able to continue to trade because they do not depend on providing direct in-person services from premises and can operate their services effectively remotely (e.g. accountants, solicitors) are not eligible. Businesses that operate primarily as an in-person venue but have been forced to close these services and instead provide takeaway-only or delivery services are eligible.

27. Please can you provide a full list of businesses mandated to close under national lockdown restrictions?

A list of businesses mandated to close can be found at Annex A of this document. To see the full legislation, including a list of exceptions, please see

<https://www.legislation.gov.uk/ukxi/2020/1374>, with updates and amendments for the latest national restrictions at: <https://www.legislation.gov.uk/ukxi/2021/8/made>

28. When do businesses need to have been trading by in order to be eligible for funding under the LRSG (Closed) Addendum: 5 January onwards scheme?

Businesses must have been trading on 4 January 2021 to be eligible. Where businesses were closed due to restrictions that preceded the national restrictions, it is accepted that those businesses are still trading. Please see Q63 for further information on what constitutes trading.

29. If a business is required to close but does not do so for the full 42-day period of national restrictions, would it be eligible to receive payments under LRSG (Closed) Addendum: 5 January onwards scheme?

The Health Protection (Coronavirus Restrictions) Regulations 2020 states that a business required to close “must cease to carry on that business or provide that service”. To remain open would be against the law and any business doing so will be ineligible for a grant. A business is required to self-declare that it has closed when it applies for a grant under the LRSG (Closed) Addendum: 5 January onwards scheme. A business that was required to close but remained open for part of the 42-day payment cycle would not receive a pro-rata payment for this grant. If a previously non-compliant business were to become compliant, it can be considered eligible for a future payment cycle if applicable.

Payment process

30. How often should businesses be paid?

Local Authorities will be expected to pay eligible businesses the full 42-day allocation as soon as possible after receipt of the first funding payment. The payment cycle will then be reviewed after six weeks have elapsed. Grant funding will be issued to Local Authorities at the beginning of each payment cycle if national restrictions are extended.

31. Who will receive the grant funding?

Grants are payable to the person who, according to the billing authority’s records, was the ratepayer in respect of the hereditament on 5 January 2021.

32. Will further funding be available if Local Authorities spend their full LRSG (Closed) Addendum: 5 January onwards allocation?

Yes, if Local Authorities spend the initial allocation of 90% of the estimated grant funding, Government will pay Local Authorities the further agreed funding. When all eligible businesses in a Local Authority have been paid, there will be no further payments to Local Authorities under this scheme.

33. If the national restriction period lasts less than 42 days, will payments be made pro-rata?

No, Local Authorities will receive a payment for the full 42-day period at the beginning of the payment cycle and will not be required to repay any funds should the national restrictions end earlier than the 42 days.

34. Will the payment cycles change after the first 42-day qualifying restriction period?

Payment cycles will be reviewed once the next phase of local or national restrictions becomes clear. Any changes to the funding process will be communicated to Local Authorities at the earliest possible opportunity if national restrictions are extended.

35. Should businesses be paid every 14 days as per the previous LRSG (Closed) Addendum scheme, or every 42 days as per the updated scheme?

The first allocation provided to Local Authorities will cover the first 42 days of national restrictions. The full 42-day allocation should be paid in one single payment to businesses, along with the Closed Businesses Lockdown Payment, and paid as soon as possible following Local Authorities' receipt of payment or before if feasible.

Exclusions

36. Are there any exclusions to businesses receiving this funding?

Only businesses required to close as part of measures introduced with the national lockdown commencing 5 January are eligible to receive this funding. Therefore, the following businesses are excluded:

- 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) are excluded.
- Businesses in areas outside the scope of the national 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 are in administration, are insolvent, are struck off or are subject to a striking-off notice are not eligible for funding under this scheme.

Closed Businesses Lockdown Payment (CBLP)

General

37. When does this scheme take effect?

The scheme takes effect from 5 January 2021, along with the LRSG (Closed) Addendum: 5 January onwards.

38. How much funding will be provided?

The following funding thresholds apply to the Closed Businesses Lockdown Payment:

- a) Businesses occupying hereditaments appearing on the local rating list with a rateable value of exactly £15,000 or under on the commencement date of the widespread national restrictions will receive a one-off payment of £4,000.
- b) Businesses occupying hereditaments appearing on the local rating list with a rateable value over £15,000 and less than £51,000 on the commencement date of the widespread national restrictions will receive a one-off payment of £6,000.
- c) Businesses occupying hereditaments appearing on the local rating list with a rateable value of exactly £51,000 or above on the commencement date of the widespread national restrictions will receive a one-off payment of £9,000.

Eligibility

39. Which businesses are eligible for the CBLP?

All businesses required to close as part of measures introduced for national lockdown are eligible for this scheme. The same businesses that are eligible for the LRSG (Closed) Addendum: 5 January onwards scheme are eligible for CBLP. There is no need for Local Authorities to conduct a separate application process.

40. When do businesses need to have been trading by in order to be eligible for funding under the CBLP scheme?

As with the LRSG (Closed) Addendum: 5 January onwards, businesses must have been trading on 4 January 2021 to be eligible for the CBLP scheme.

41. Which sectors is the CBLP aimed at supporting?

All businesses required to close by law are eligible.

Payment process

42. Who will receive the grant funding?

Grants are payable to the person who, according to the billing authority's records, was the ratepayer in respect of the hereditament on 5 January 2021. Local Authorities will receive the funding for the CBLP at the same time as LRSG (Closed) Addendum: 5 January onwards and are expected to pay eligible businesses the two scheme payments together. There is therefore no need to run two separate application processes. For example, a business with a rateable value of exactly £15,000 will receive one payment of £6,001 (£2,001 LRSG (Closed) Addendum and £4,000 CBLP).

43. Will further funding be available if Local Authorities spend their full CBLP allocation?

Yes, if Local Authorities spend the initial allocation of 90% of the estimated grant funding, Government will pay Local Authorities the further agreed funding. When all eligible businesses in a Local Authority have been paid, there will be no further payments to Local Authorities under this scheme.

44. Will further CBLP funding be available if the national lockdown is extended or reintroduced later?

No, the CBLP is a one-off payment.

Exclusions

45. Are there any exclusions to businesses receiving this funding?

Only businesses required to close as part of measures introduced with the national lockdown commencing 5 January are eligible to receive this funding. Therefore, the following businesses are excluded:

- 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) are excluded.
- Businesses in areas outside the scope of the national 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 are in administration, are insolvent, are struck off or are subject to a striking-off notice are not eligible for funding under this scheme.

Additional Restrictions Grant (top-up)

General

46. What has changed in the Additional Restrictions Grant (ARG) scheme as a result of the national lockdown starting 5 January 2021?

With the national lockdown starting 5 January, a top-up to ARG funding has been provided to Local Authorities. The terms for receiving and spending ARG have not changed.

As with previously allocated ARG, Local Authorities will receive a top-up allocation based on the population of the area.

47. How has the ARG top-up allocation been calculated?

From a national pot of £500 million, Local Authorities will receive an allocation based on the population of the Local Authority.

Eligibility

48. Do the eligibility criteria for the ARG top-up match the criteria from the original ARG guidance, published November 2020?

Yes, the eligibility criteria for the ARG remain unchanged.

49. Is an application process required for businesses to receive funds through this grant scheme?

Local Authorities may wish to administer the ARG top-up on the same basis as previously, in which case it may not be necessary to begin a new application process. Where Local Authorities intend to make changes to the way they have administered the ARG, they will need to run some form of application process in order to capture all eligible businesses and undertake pre-payment checks. Local Authorities must use their discretion in identifying the right businesses to receive this funding, based on their application process.

50. What pre-payment evidence is required to establish whether or not a business is 'severely impacted'?

Where Local Authorities intend to run a new application process, they must assess applications properly, taking into account all relevant information. Local Authorities may wish to ask for further documentary evidence (e.g. a bank statement) as part of the original application process or if, having read a statement from the business, they feel further questions need to be answered. As this fund is discretionary, Local Authorities are free to choose which businesses to prioritise based on their importance to their local economies.

51. Can ARG funding be used to support individuals' costs such as wages?

No. ARG cannot be used as a wage support mechanism or to pay costs for the individual, such as dividends or wages.

Payment process

52. Who will receive the grant funding?

Where a rate-paying business is in receipt of a grant, grants are payable to the person who according to the billing authority's records was the ratepayer in respect of the hereditament on 5 January 2021.

Local Authorities may also choose to help businesses outside the business rates system. In this case, it will be at Local Authorities' discretion to identify the right recipient of the funding, based on their application process.

53. Will further funding be available if Local Authorities spend their full ARG top-up allocation?

No, the ARG top-up is a one-off payment.

54. Will further ARG top-up funding be available if the national lockdown is extended or reintroduced later?

No, the ARG top-up is a one-off payment.

Exclusions

55. Are there any exclusions to businesses receiving this funding?

Businesses must meet all scheme conditions in order to be eligible to receive funding. Businesses that are in administration, are insolvent, are struck off or are subject to a striking-off notice are not eligible for funding under this scheme.

General eligibility

56. How can a Local Authority determine whether organisations such as village halls, community centres and charities are eligible to receive grants through mandatory schemes, i.e. LRSG (Closed) and variations, LRSG (Sector), CSP and CBLP?

There are three key considerations when a Local Authority determines the eligibility of an organisation for a grant under mandatory schemes:

- Is the business the business rate payer of a hereditament that appears on the rating list?
- Is the main service of that business required to close due to local or national restrictions?
- Is the business able to self-declare that it meets all scheme conditions, including eligibility and subsidy control requirements?

Where an organisation meets all of these criteria and conditions set out in the scheme, it is considered eligible to receive a grant under the mandatory schemes. In cases where hereditaments remain open to provide services that can continue as they are exempt from the regulations (e.g. post office services, food banks) they are still eligible for grants, because they are unable to provide their main in-person service.

If an applicant is not a ratepayer, or is severely affected without having been required to close its main service, it may be able to apply for a discretionary ARG grant during national lockdown. In these cases, it will be for Local Authorities to consider whether the applicant constitutes a business and can therefore receive a grant through this scheme, which is intended to support businesses from all sectors that have been severely impacted.

57. How should Local Authorities confirm that businesses are eligible for the grant schemes?

The Local Authority must communicate with the business, stating that by accepting the grant payment, the business confirms that they are eligible for the grant schemes. This might be via letter, a telephone call or communication through an online portal. Local Authorities may also make an online form available for businesses to self-

certify. This includes where Local Authorities already have bank details for businesses and are in a position to send out funding immediately, or where the Local Authority is sending a cheque to a business.

58. Are businesses established after the initial eligibility date able to receive support through the LRSG and ARG schemes?

Each of the LRSG and ARG schemes has a date by which businesses must have been established in order to receive grants. Depending on the scheme applied to, businesses must have been trading on the day before the introduction of a new set of local or national restrictions. This allows new businesses to become eligible for grants where restrictions are introduced after the business has been established.

For example, if a restaurant business was established after its Local Authority entered Tier 2 restrictions, it would not be eligible for any of the grants triggered by the Local Authority's entry into Tier 2 for as long as the Local Authority remained in that same Tier. However, if the Local Authority were later moved into Tier 3 restrictions, that business would qualify for the grants triggered, on the basis that it was established the day before the introduction of new restrictions.

59. Are businesses that have been affected by restrictions and are outside of the retail, hospitality and leisure sectors, such as tourism and events businesses, eligible to receive grant funding through the discretionary grant schemes?

Yes. The LRSG (Open) and ARG schemes are discretionary, so Local Authorities may choose to support businesses from all sectors they assess have been severely impacted by restrictions, provided they meet all other eligibility criteria (e.g. they are not insolvent). Businesses do not need to be rate-paying in order to be eligible for discretionary schemes. It is for Local Authorities to decide which businesses to support through discretionary schemes.

60. Are parish councils eligible to receive grant funding?

Yes, Town and Parish councils are eligible if they meet all the scheme criteria (the precepting authority exclusion does not apply to this fund). Each application must be assessed on its individual facts.

61. If a business is put up for sale while closed, is it eligible to receive grants under these schemes?

As long as the business was established and considered to be trading on the day of eligibility for the respective scheme, it is eligible to receive grants under these schemes.

62. If a new business has been unable to open due to restrictions, will it be eligible to receive grants under these schemes?

As long as the business was established and considered to be trading on the day of eligibility for the respective scheme, it is eligible to receive grants under these schemes.

63. What constitutes trading?

For the purposes of LRSG, ARG, CSP and CBLP schemes, a business is considered to be trading if it is engaged in business activity. This should be interpreted as carrying on a trade or profession, or buying and selling goods or services in order to generate turnover. Fully constituted businesses in liquidation, dissolved, struck off or subject to a striking-off notice are not eligible under these conditions.

To help further, some trading indicators are included below that can help assess what can be defined as trading for the purposes of the LRSG, ARG, CSP and CBLP schemes. Indicators that a business is trading are:

- The business has staff on furlough.
- The business continues to trade online, via click and collect services etc.
- The business is not in liquidation, dissolved, struck off or subject to a striking-off notice or under notice.
- The business is engaged in business activity; managing accounts, preparing for reopening, planning and implementing COVID-safe measures.

This list of indicators is not exhaustive and Local Authorities must use their discretion to determine if a business is trading.

64. If a seasonal business was previously refused a grant because it was not open on the applicable eligibility date, but it continues to trade according to the trading indicators listed above, should the business be paid retrospectively?

Yes, as long as the business was not insolvent, in liquidation, struck off or subject to a striking off notice on that date, it can be considered to be trading and is therefore eligible to receive grants under this scheme. If seasonal businesses were previously refused grants on the basis that they were not open on the applicable eligibility date, but they continued to be engaged in business activity and met the scheme eligibility criteria at that time, then they should be paid grants retrospectively for past periods of applicable restrictions. This does not apply to the three schemes that formally closed in 2020.

65. Are businesses that have not been required to close by law, but are forced to close for other reasons related to COVID-19 (e.g. staff are self-isolating) eligible to receive payments under the LRSG (Closed) Addendum schemes?

No. Local Authorities could consider supporting these businesses through the Additional Restrictions Grant.

66. If a business had a striking-off notice when a payment cycle began, but the notice was later removed, could the grant be paid retrospectively?

Where a business is subject to a compulsory or voluntary striking-off notice, it is not eligible for funding under these schemes. However, if this striking-off notice is removed, a business may apply for a grant in a future payment cycle provided the business is otherwise eligible. It would not be eligible to receive a grant retrospectively.

67. As shisha bars cannot serve shisha under Tier 1 restrictions, but LRSG (Closed) is only available in Tier 2 and Tier 3 areas, are shisha bars therefore eligible to receive grants under the LRSG (Sector) scheme?

According to Schedule 1, Part 2 of The Health Protection (Coronavirus Restrictions) Regulations 2020, since 2 December 2020, businesses have been required to close in Tier 1 areas if they provide a waterpipe to be used for the consumption of tobacco or any other substance on the premises, or a device to be used for the recreational inhalation of nicotine or any other substance on the premises. On these grounds, shisha bars have been required to close nationwide under Tier 1 restrictions since 2 December 2020. Therefore, alongside nightclubs and sexual entertainment venues, shisha bars are eligible to receive grants under the LRSG (Sector) scheme from 2 December 2020 onwards. If Tier 4 or national restrictions come into force, these businesses will be supported by the LRSG (Closed) Addendum: Tier 4 or the LRSG (Closed) Addendum: 5 January onwards respectively.

Shisha bars may remain open in Tier 1 areas if they choose to repurpose and do not provide shared smoking equipment for use on the premises. Under these circumstances, shisha bars may consider applying for support through a discretionary grant scheme if they remain open in Tier 2 areas. Where bars and cafes that serve shisha are mandated to close their premises under more stringent tiers, then these businesses may be eligible for mandatory grants under the LRSG (Closed) umbrella.

Monitoring, Reporting & Evaluation

68. Are there any additional requirements on reporting to BEIS due to the addition of the new schemes in the Business Support Package for the January Lockdown?

No, the information required will be the same fields as previously requested.

69. Will each new scheme (LRSG (Closed) Addendum: Tier 4, LRSG (Closed) Addendum: 5 January onwards, CBLP and updated ARG) need to be reported on separately?

Local Authorities are required to undertake weekly reporting for each grants scheme. BEIS is working to simplify reporting requirements and will provide further information in due course.

70. What are the DELTA reporting requirements for the grant schemes?

Weekly monitoring of each scheme will be required. The information required will cover:

- a. how the schemes will operate;
- b. when you expect to start making payments;
- c. details of eligibility;
- d. number of grants paid;
- e. value of grants paid;
- f. when you expect to make a final payment.

71. Will any changes be made to the information or datasets required as part of the weekly DELTA reporting responsibilities?

As BEIS continues to receive weekly reports there may be minor changes to the reporting template.

72. Is there a requirement to provide data to BEIS?

Yes, reporting is one of the terms of the Grant Offer Letter.

73. When are Local Authorities expected to supply DELTA returns?

Weekly DELTA reporting is required to be completed every Monday. This will capture details of how you intend to operate your schemes and the numbers and value of grants paid.

74. What level of sector analysis is required at lower level SIC codes or at a detailed level in the weekly return requirements? Will there be additional guidance?

Sector level information is not required for the weekly DELTA return.

However, it is requested that the business sector or type is collected within the record-level data return. This should be according to the 18 high-level SIC codes shared in the Data Definitions guidance.

75. What additional evidence do Local Authorities need to collect on top of the DELTA return?

Local Authorities are required to report more granular record-level data on individual grant applicants. This should be as per the circulated Excel template and Data Definitions guidance, which asks for details of the grant recipient, including relevant address and contact email, size and sector they operate in, and details of the grant awarded.

76. Do Local Authorities need to collect the VAT number, Companies House number and taxpayer reference held with HMRC?

For record-level data, Local Authorities should collect at least one unique identifier for each grant applicant. Ideally this would be Companies House Reference number, but recognise this will not apply to all grant applicants, so an alternative should be provided, which may include, but is not limited to, VAT Registration Number, Unique Taxpayer Reference, National Insurance Number, Registered Charity Number, Unique Property Reference etc. If appropriate, additional identifiers can be provided in the comments field. This should be reported with the record-level data return.

Fraud

77. What should a Local Authority do if it detects or suspects fraud through this scheme?

If Local Authorities detect fraud (successful, rather than attempted), or if they suspect fraud (attempted, as well as actual) that is organised, large scale systematic, or

which crosses Local Authority boundaries, they must report it in real time. It is recommended Local Authorities report it simultaneously to the dedicated inboxes at the National Anti Fraud Network (intel@nafn.gov.uk) and the National Investigation Service (report@natis.pnn.police.uk). Local Authorities may be contacted for further information to assist with lines of enquiry being pursued.

78. If a payment subsequently turns out to have been made due to fraud or error, will Government expect the council to meet the cost?

The Government will not accept deliberate manipulation and fraud – and any business caught falsifying its 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. Further guidance will be provided on payment assurance, including financial accountability.

79. How frequently should business eligibility checks be made?

Local Authorities should ensure that businesses applying to receive grant funding are eligible to do so before making any payments. This may mean checking businesses' eligibility ahead of every payment, if required.

80. Is the government Experian Government Counter Fraud Tool on NFI currently available to check LRSG/ARG applications?

The tool has two modules – a bank account verification tool and an active company check. NFI and Experian have now updated the tool so that it checks the company status at a specific date provided by the Local Authority. As such, the data specification has been enhanced to reflect this change and can be found at the link below: <https://www.gov.uk/guidance/national-fraud-initiative-public-sector-data-specifications#company-check-data-specification>.

If you are interested in using this tool and have any queries, please contact the NFI at: nfiqueries@cabinetoffice.gov.uk.

The NFI Experian bank account validation tool was not impacted and did not require amendment, as this tool checks the current position.

Local Authorities are also strongly encouraged to use the Spotlight due-diligence tool to provide selected pre- and post-award company checks. The Spotlight fee has been waived for COVID-19 schemes, so it is recommended that you use this service first and reduce the number of records to be checked via the chargeable tools. For further information on Spotlight please contact: spotlight-localauthority@cabinetoffice.gov.uk.

81. Will Local Authorities be required to provide LRSG/ARG/CSP/CBLP data to NFI? If so, will the specifications be based on the grants data template and definitions?

A final decision has not yet been made about LRSG/ARG/CSP/CBLP data. The NFI is currently focussed on the request for Local Authorities to submit data in respect of the Small Business Grant Fund (SBGF), Retail, Hospitality and Leisure Grant Fund (RHLGF), and Local Authority Discretionary Fund. This data is due to be submitted by 29 January 2021.

If the Cabinet Office NFI subsequently elect to require this data be submitted, then this decision, along with a reasonable timetable, will be clearly communicated. The data specification would, as far as practical, mirror the one used for SBGF and the RHLGF and Local Authority Discretionary Grant Fund (LADGF).

82. Is use of the Spotlight tool compulsory?

No, Spotlight is not compulsory, but using the tool to support prepayment checks is strongly encouraged.

It should be noted that the standard Spotlight tool, which is free for COVID-19 schemes, offers a wide range of due diligence checks drawn from data sources including Companies House and the Charity Commission and can check whether a company or charity is registered, active and has claimed other Government grants. Therefore, using this first is recommended as it can significantly reduce the number of records to be checked via the chargeable tools.

For further information please contact Spotlight: spotlight-localauthority@cabinetoffice.gov.uk

83. Where a company appears “Red” on Spotlight because it has a voluntary agreement, but it is not in liquidation or administration, would it be eligible to receive a grant?

Eligible businesses that have a voluntary agreement but are not in liquidation or administration will be eligible to receive a grant if they are still trading and operating, provided the business is otherwise eligible. Businesses that are in administration, are insolvent, struck off or where a striking-off notice has been made are not eligible for funding under these schemes.

84. Who is responsible for undertaking prosecutions and recovering costs in the event of fraud?

Government would expect Local Authorities to carry out investigations into suspected fraud, including seeking prosecution in cases of criminality, where resourced to do so and the evidence meets the appropriate standards, but this is not compulsory. If not, Local Authorities should refer cases to the police via Action Fraud for possible prosecution and loss recovery through the CPS.

If Local Authorities detect fraud (successful rather than attempted), or if they suspect fraud (attempted as well as actual) that is organised, large scale or systematic, or which crosses Local Authority boundaries, they must report it in real time. It is recommended that Local Authorities report it simultaneously to the dedicated inboxes at the National Anti Fraud Network (intel@nafn.gov.uk) and the National Investigation Service (report@natis.pnn.police.uk). Local Authorities may be contacted for further information to assist with lines of enquiry being pursued.

85. Can NFI checks be completed post-payment?

The tool is recommended as a pre-payment check, but can also be used post-payment.

86. How can Local Authorities verify whether or not a business is insolvent?

Guidance on the grant schemes, available on GOV.UK, includes information on managing the safe administration, including verifying the solvency of a business. The Government Grants Management Function has waived the annual fee of its digital due-diligence tool, Spotlight, to support the administration of COVID-19 emergency grants until 31 March 2021. spotlight-localauthority@cabinetoffice.gov.uk

87. If a business has been paid grant funding, but closes before the end of the 42-day qualifying restriction period, is funding recoverable by the Local Authority?

No. Provided that at the point of payment, the business is not in liquidation or dissolved, struck off or subject to a striking-off notice and otherwise meets all applicable conditions, it is eligible for a grant.

Subsidy control

88. What is subsidy control?

The EU State aid rules no longer apply to subsidies granted in the UK following the end of the transition period. This does not impact the limited circumstances in which State aid rules still apply under the Northern Ireland Protocol.

However, the United Kingdom remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU. BEIS Guidance for public authorities explaining the subsidies chapter of the TCA, World Trade Organisation rules on subsidies, and other international commitments can be found here:

<https://www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities>

89. Will State aid guidance be superseded by the new subsidy control rules?

Revised guidance will be issued regarding changes to subsidy control in due course. In the meantime, Local Authorities can still pay out subsidies under previously approved schemes as these will be in line with the Principles set out in Article 3.4, Chapter Three of the TCA. This includes subsidies related to COVID-19 that have previously been given under the State aid Temporary Framework. The State aid Temporary Framework provisions set out in previous guidance should still be applied to this scheme until further guidance on subsidy control related to this scheme is issued. Further advice can be obtained from the subsidy control team at subsidycontrol@beis.gov.uk.

90. How can Local Authorities ensure compliance with subsidy control rules?

Local Authorities can still pay out subsidies under previously approved schemes as these will be in line with the Principles set out in Article 3.4, Chapter Three of the TCA (see Q89).

BEIS is developing a transparency database for public authorities to record information on relevant subsidies to help deliver compliance with our international reporting requirements. BEIS will provide further, more detailed information on the transparency database early in 2021.

The information, which will be collected via the transparency database, covers:

- The legal basis and policy objective or purpose of the subsidy
- The name of the recipient of the subsidy when available
- The date of the grant of the subsidy, the duration of the subsidy and any other time limits attached to the subsidy
- The amount of the subsidy or the amount budgeted for the subsidy.

Annex A – full list of business closures in Tier 4 areas and during national lockdown

Please note that the list below is subject to limited exceptions. The full list of closures can be found at <https://www.legislation.gov.uk/ukxi/2020/1374>, with updates and amendments for the latest national restrictions at: <https://www.legislation.gov.uk/ukxi/2021/8/made>.

Please also note that “Sector” has been provided for reference only and is not intended to be used for any other purpose.

The table below is a list of businesses mandated by legislation to close under Tier 4 and the January 2021 national restrictions. There are a small number of exceptions: under Tier 4 prior to the introduction of national restrictions, zoos and outdoor sports facilities were not mandated to close. However, they are listed as businesses mandated to close under national restrictions.

Travel agents were also not listed under the initial legislation that covered Tier 4. However, they were covered by the more general provisions on closures and have now been explicitly stated by the updated legislation as mandated to close during Tier 4 and national restrictions.

Sector	Required to close
Tourism	Holiday accommodation, whether in a hotel, hostel, bed and breakfast accommodation, holiday apartment, home, cottage or bungalow, campsite, caravan park or boarding house, canal boat or any other vessel.
Entertainment and arts	Nightclubs, dance halls, discotheques, sexual entertainment venues, hostess bars. Any other venue which: • opens at night. • has a dance floor or other space for dancing by members of the public (and for these purposes members of the venue in question are to be considered members of the public). • provides music, whether live or recorded, for dancing. Cinemas, theatres, concert halls, circuses, museums and galleries, visitor attractions at film studios.
Hospitality and catering	Restaurants, including restaurants and dining rooms in hotels or members’ clubs, cafes, including workplace canteens, but not including:

	• cafes or canteens at a hospital, care home, school, educational accommodation for students attending higher education courses or provider of post-16 education or training. • canteens at criminal justice accommodation, immigration detention accommodation or an establishment intended for use by Her Majesty's armed forces or for the purposes of the Department of the Secretary of State responsible for defence. • cafes or canteens at a higher education provider, where there is no practical alternative for staff and students at that institution to obtain food or drink and alcohol is not served for consumption on the premises. • workplace canteens, where there is no practical alternative for staff at that workplace to obtain food or drink and alcohol is not served for consumption on the premises. • services providing food or drink to the homeless. Bars, including bars in hotels or members' clubs, public houses and any business which provides, whether for payment or otherwise: • a waterpipe to be used for the consumption of tobacco or any other substance on the premises. • a device to be used for the recreational inhalation of nicotine or any other substance on the premises. Conference centres and exhibition halls, so far as they are used to host conferences, exhibitions, trade shows, private dining events or banquets, other than conferences, trade shows or events which are attended only by employees of the person who owns or is responsible for running the conference centre or exhibition hall.
Recreation and leisure	Dance studios, fitness studios, gyms, sports courts, swimming pools, playgrounds, soft play centres or soft play areas, other indoor leisure centres or facilities, including indoor games, recreation and entertainment venues, casinos, bingo halls, bowling alleys, riding centres, amusement arcades, including adult gaming centres, skating rinks, water parks and aqua parks, theme parks, fairgrounds and funfairs, adventure parks and activities, aquariums and zoos, including safari parks, animal attractions at farms, wildlife centres and any other

	place where animals are exhibited to the public as an attraction, model villages. Indoor attractions at visitor attractions such as: • sculpture parks. • landmarks, including observation wheels or viewing platforms. • botanical or other gardens, biomes or greenhouses. • stately or historic homes, castles or other heritage sites. Outdoor sportsgrounds and facilities, including: • outdoor gyms. • sports courts. • swimming pools. • water sports. • shooting and archery venues. • golf courses. • driving ranges.
Retail	Businesses offering goods for sale or for hire in a shop or providing library services must cease to carry on that business or provide that service (with some exceptions), including kitchen, bathroom, tile and glazing showrooms, betting shops, showrooms and other premises, including outdoor areas, used for the sale or hire of caravans, boats or any vehicle which can be propelled by mechanical means, car washes (except for automatic car washes), auction houses (except for auctions of livestock or agricultural equipment), markets (except for livestock markets, stalls selling food and certain other exceptions), carpet stores, retail travel agents.
Beauty	Spas, tanning salons, nail salons, beauty salons, hair salons and barbers, massage parlours, tattoo and piercing parlours.