

# Support for Businesses

Julie Price, Director of Customer Services and Transactions



# Support from 23 March 2020

- Expanded retail discount – 4,531 businesses, £144.4 million
- Rate relief for nurseries – 91 nurseries, £1.04 million
- Grants for small businesses – 6,479 businesses, £64.79 million
- Grants for businesses in the Retail, Hospitality and Leisure sectors – 2,044 businesses, £41.25 million
- Discretionary scheme – £5.422 million- 1,290 businesses (100% of government funding)
- Schemes now closed, total paid out - £256.5 million a further 12,912 businesses

# Grants from Tier 2 to the present

Grant	Business type	Eligible payment date onwards						
		05-Aug	23-Oct	01-Nov	05-Nov	02-Dec	31-Dec	05-Jan
(Sector)	Nightclubs and sexual entertainment venues (SEVs)							
Tier 2 (Open)	Hospitality, hotel, bed & breakfast (B&B), leisure businesses and Tier 3 (Open)							
Tier 3 (Closed)	Pubs, bars, casinos, betting shops and soft play centres and adult gaming establishments							
Additional Restrictions Grant	LRSG not eligible severely impacted businesses							
National (Closed)	ClosedV1 businesses, non-essential retail, leisure and sports facilities, hospitality accommodation, entertainment venues, personal care facilities and community centres							
Additional restrictions grant	LRSG not eligible severely impacted businesses							
Christmas Support Payment	Wet-led pubs							
Closed Business Support Payments	Retail, hospitality and leisure businesses							
Additional Restrictions Grant Expanded	Childcare day nurseries, taxi drivers, self employed company directors, those affected by the commuter trade, non essential retail without an rv, tourism, cultural and the airport supply chain							

# Types of Grants and Payments

## Ongoing grant awards to closed businesses based on government guidance

- Local Restrictions Support Grant - Closed/Sector/Addendum

## Discretionary Schemes based on local priorities

- Local Restrictions Support Grant Open
- Additional Restrictions Grant

## One-off Grant payments based on government guidance

- Christmas support payment
- Closed Business support payment

# Activity and issues

- We have done a lot of take- up activity
- The assumed level of funding for the fixed grants was based on rv codes that are often out of date and do not describe the business activity. The fixed funding for the main schemes is not a spend target but a potential spend based on listings e.g. pubs and retail.
- The system is confusing for businesses.
- Lag between announcements and complex guidance and FAQs.
- Lot of MI and checks required by government.
- We are working on one application into the system and if approved we will ensure all eligible grants are awarded.
- The most recent lockdown payments (because the amounts are between £4k and £9k) has stimulated interest and we have had more claims and interest than for earlier schemes and support.

MCC Presentation

LRSG (open) -  
from 5.8.20 to  
4.11.20

Backdated to  
when we were  
in Tier 2

**Discretionary scheme- based on businesses that were open but severely impacted**

- Fixed budget for this period of £7.66 million from central government - £7.2million spent to date (1,771 businesses)
- For Hospitality, Hotels, B&B's, Leisure Services
- Businesses must have a Business Rates liability
- Amount of grant dependant on rateable value
- No application required- eligible businesses are backdated and paid based on businesses eligible for LRSG closed and ARG grants

# LRSG (sector) - from 1.11.20

## Nightclubs, discotheques and Sexual Entertainment Venues

- Must have been closed since 23.3.20
- Businesses must have a Business Rates liability
- Amount of grant dependant on rateable value
- Application required via on line form only
- Fully funded by central Government

# LRSG (closed) addendum – from 5.11.20

## For businesses required to close from 5<sup>th</sup> November 2020

- Businesses must have a Business Rates liability
- Amount of grant dependant on rateable value
- Application required via on line form
- Fully funded by central government



# Christmas Support Payment December 2020

## One off payment of £1,000 to wet led pubs

- Less than 51% of income prior to covid from food
- Paid based on information already held but need declaration
- Don't qualify if have membership to enter
- All that have applied for LRSG have been processed

# Closed business Support payments

## One-off Grant

- Announced for national lockdown.
- Paid to businesses registered for business rates.
- All businesses that are required to stay closed receive a one-off grant, in addition to LRSG of £4k, £6k or £9k (linked to rv).
- Paid based on LRSG claims- £14.367m has been allocated to 2,743 businesses to date.
- Has stimulated interest in other grant schemes.

# Additional Restrictions Grant First Phase From Nov 2020

Allocation of £11.698m- share of AGMA £50m. Discretionary and have until **March 2022** to spend

- Businesses that had to close but did not have a business rates liability.
- Businesses that were in the direct supply chain of businesses that were required to close; this included businesses with and without a rateable value for business rates.
- Businesses that have received payments have been considered for retrospective support back to August 2020 (Tier 2), as well as receiving ongoing support mirroring the main payments.
- To pay these businesses up to March + lockdown grant £3m

# Additional Restrictions Grant Next phase From Jan 2021

- £4.9m ARG top up January 2021
- £13.6m remaining (£8.7m ARG and £4.9m ARG top up January 2021)
- Extend scheme, effective from the 5 January 2021 (current national lockdown started) **no** backdating.
- To support the immediate, presenting need of businesses affected by the pandemic and the wider lockdown issues, and to target some additional funds to areas that are essential to the city's economic recovery and success.
- The main aim is to protect jobs, services, and businesses vital to the Manchester economy

# Additional Restrictions Grant Next phase From Nov 2020

## Additional business groups

- Day nurseries in the city; (£1.9M)
- Those affected by a reduction in daytime / commuter trade (predominantly but not exclusive to the city centre);
- Tourism, culture, and the airport supply chain; and
- Independent retailers with no business rates liability that have been mandated to close and can show fixed property related costs as they are responsible for a rent and rates inclusive space. (£460k)

# Additional Restrictions Grant Next phase From Jan 2021

## Support to other groups outside of the main scheme

- Hackney carriage and private hire trade (£1.5M)
- Self-employed company directors of very small businesses without fixed business property related costs or a business rates liability

# Additional Restrictions Grant Next phase From January 2021

## Development of further sub-schemes to support strategic recovery

- Strategically important cultural, entertainment or convention facilities (£2.5M)
- Charities (£1M)
- Businesses which are of strategic importance to the city's economy (£2M)

# Additional Restrictions Grant Next phase Costs

Total identified costs £8.86m. Not possible to model spend and take up across some areas

This leaves £4.74m of the budget remaining. It is proposed that this funding is used to develop schemes for the following groups

- Those affected by a reduction in daytime / commuter trade (predominantly in the City Centre)
- Tourism, culture and the airport supply chain
- Self-employed company directors of small businesses without fixed property related costs

Decisions based on the merits of the case, Council's wider objectives and the ongoing economic recovery post lockdown.



# Any Questions?

## Contact Officers:

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