

Guidance Notes and Checklist

Liverpool City Region Local Business Support Grant

February 2021

1. OVERVIEW

The Covid-19 pandemic has had a significant impact on the Liverpool City Region economy. As a direct response to the new measures imposed by Government and the challenges that businesses are facing under the national lockdown, a new fund, the Local Business Support Grant, has been created by the Liverpool City Region Combined Authority. The Local Business Support Grant will be administered by each of the six local authorities that form the Combined Authority, namely Halton, Knowsley, Liverpool, Sefton, St Helens and Wirral.

The Local Business Support Grant will be allocated quickly and efficiently, with the first funding to reach applicants within 10 working days of the application being approved, subject to the application being compliant. Successful applicants will be notified by email, and payments will be made by BACS (payments usually take 3 working days to arrive in accounts).

An initial “window” will open for receipt of applications for the Liverpool City Region Local Business Support Grant will open for applications from **10.00 am on Wednesday 10 February 2021** and **CLOSE** at **5.00 pm on Friday 26 February 2021**.

It is the applicant’s responsibility to complete the application form and attach the required evidence, and we will not be able to chase individual businesses for supporting information if it is not included in the original application. **Incomplete applications will not be appraised.** An application made during the ‘grant application window’ **does not guarantee** approval for payment. Completed applications will be appraised in order of receipt by the local authority.

2. PRIORITY AREAS

The amount of funding available under the Local Business Support Grant is not expected to meet the demand from businesses, and unfortunately, not all applicants will be successful. Therefore, in determining the eligibility criteria, the Council has sought to balance the number of businesses it can support within the priority areas and the overall amount of money that is available. In administering the grant, the Council will adopt the following priorities:

- a. Provide the greatest assistance to eligible micro and small businesses (this includes home-based businesses, sole traders and charities);
- b. Provide support to as many businesses as possible within the available financial resource;
- c. Deliver a grant application process which is as simple and straightforward as possible and makes decisions as quickly as possible;
- d. Ensure that there is proper due diligence and that fraud and error are avoided.

3. ELIGIBILITY

- All businesses must be a small or micro business (as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006) and be able to accept the grant under State Aid rules (see sections 4, 5 and 9 below).
- Businesses that have been ordered to close and are outside the business rates system.

- Businesses in the hospitality and leisure sector or supply chain that either pay business rates or have commercial property related costs.
- Self-employed / Sole trader / home-based businesses (predominantly working in or supplying the hospitality and leisure sectors / licensed market traders
- Businesses in any sector, including Self-employed / Sole trader / home-based businesses, that can demonstrate a loss in sales/revenue of at least 40% due to Covid-19. Businesses can also apply for this grant if they pay business rates or have commercial property related costs. The application must provide supporting evidence to demonstrate that the business has been severely impacted as a result Covid-19, **AND** that it has not been eligible for other business support schemes. **Note: The business will be asked for proof of loss of sales/revenue in the form of an Accountant's letter.**
- All businesses must still be trading on 1 February 2021 i.e. continuing to trade with a view to making a profit or surplus (i.e. not a dormant company).
- No business may make a claim against more than one category of the Local Business Support Grant.
- All businesses must be based in the Liverpool city region and have been trading on or before 31 October 2020.
- All businesses must employ 1 or more people (a sole director, or self-employed counts as 1 staff employee).

4. SMALL AND MICRO BUSINESSES

The business must be a Small or Micro business Under the Companies Act 2006, a **Small** business must satisfy two or more of the following requirements in a year:

Turnover: Not more than £10.2 million;

Balance sheet total: Not more than £5.1 million;

Number of employees: a staff headcount of not more than 50.

Under the Companies Act 2006, a **Micro** business must satisfy two or more of the following requirements:

Turnover: Not more than £632,000;

Balance sheet total: Not more than £316,000;

Number of employees: a staff headcount of not more than 10.

5. EXCLUSIONS

A business is excluded if, on the date of making the application, it:

- is dissolved or about to be dissolved
- is insolvent or if insolvency action had been instigated against it including any petition or where a striking off notice has been made. **(The records of each business and of each individual applying for a grant will be checked as part of the grant appraisal process)**
- is dormant, i.e. not trading but not insolvent
- has previously received a **Hospitality and Leisure Grant from Round 1** or **Hospitality, Leisure and Retail Grant (Expanded Scheme) Round 2**; or has received or is eligible for a **Taxi Driver's Grant** or a **Local Restrictions Support Grant (Closed)** from its Local Authority.
- has been subject to Covid-19, environmental health or planning enforcement prosecution (by the Police or any other authority) since 1 April 2020

6. CATEGORIES OF BUSINESS ELIGIBLE TO APPLY

A. Businesses that have been ordered to close (as from 5 January 2021), are not liable for business rates, are based in commercial premises, and not eligible for Local Restrictions Grant (Closed).

Business that have been ordered to close include (but are not limited to) the following premises:

<ul style="list-style-type: none">• Adventure playgrounds, ziplining• Antique stores• Aquariums• Betting shops• Archery venues• Auction houses (except for auctions of livestock or agricultural equipment)• Bars, including those in hotels or members' clubs• Bingo halls• Body and skin piercing services• Bowling alleys• Cafes and canteens• Car and other vehicle 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)• Carpet stores• Charity shops• Climbing walls and climbing wall centres• Clothing and fashion stores and tailors• Dance studios and fitness studios• Dog groomers• Driving and shooting ranges• Electronic goods and mobile phone shops• Florists• Gyms• Hair, beauty and nail salons• Homeopathic and naturopathic medicine, traditional Chinese medicine, and Ayurveda• Homeware stores• Florist• Indoor games, recreation and entertainment venues (such as escape rooms and laser quest)• Indoor play areas (including soft play centres and areas, and inflatable parks)• Kitchen, bathroom, tile, and glazing showrooms	<ul style="list-style-type: none">• Leisure centres• Massage centres• Model villages• Museums and galleries (not in public ownership)• Nightclubs, dance halls, and discotheques• Nurseries• Photography studios• Pubs• Restaurants• Retail travel agents• Riding centres• Shisha bars• Shops within larger/ shared premises (except shops / livestock markets, and those selling food)• Skating rinks (except for professional dancers, elite sportspersons, access for fitness activity for disabled persons, supervised activities for children, and education and training)• Snooker and pool halls (except for elite sportspersons)• Social clubs• Spas, saunas, steam rooms• Sports courts• Swimming pools• Tanning salons• Tattoo parlours• Theatres and concert halls (except for formal education and training, rehearsal or broadcasting a performance)• Tobacco and vape shops• Trampoline parks (except for disability sport, elite sportspersons, supervised activities for children and education and training)• Visitor attractions at farms, wildlife centres, and other animal attractions• Visitor attractions at film studios
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B. Supply chain businesses that predominantly supply the hospitality and leisure sectors and are based in commercial premises

Businesses MUST be one of the following:

- Alcohol wholesaler
- Brewery
- Catering
- Cattery/Kennel
- Event / hospitality staffing agency
- Event entertainment agency
- Event management
- Event photographer
- Event supply companies e.g. Marquee, AV & lighting, security company, catering equipment
- Event travel company e.g. Coach hire, limousine hire, tour company
- Food and drink supplier to the events industry / pubs / restaurants
- Hotel supplies (linen, cleaning, glassware)

C. Self-employed / sole trader / home based business (that predominantly works in or supplies the hospitality and leisure sectors) / licensed market trader

For example the following businesses are eligible:

- Artist, musician or other performers
- Event photographer
- Event planner/management
- Mobile hairdresser, beautician, nail technician
- Personal trainer / instructor
- Travel advisor
- Tattooist
- Wedding planner
- Other (you will need to provide a business description)

D. Businesses in any sector that can demonstrate a loss of at least 40% in sales/revenue due to Covid-19 (including self-employed / sole trader / home-based businesses)

The grant funding aims to help small and micro businesses in any sector that are not eligible for other grant schemes and that are struggling with a loss of sales/revenue in the current financial year due to the coronavirus/COVID-19 pandemic. For the purposes of this scheme (which is funded through the Additional Restrictions Grant or Local Restrictions Support Grant (Open)), a business is considered to be trading if it is engaged in business activity. This is interpreted as where the primary purpose is “*carrying on a trade or profession or buying and selling goods or services in order to generate turnover*”. In order to evidence the loss in sales/revenue of at least 40% and to show trading on or before 31 October 2020, a statement is required from a qualified, independent accountant [using the attached proforma letter](#). **NOTE:** Only businesses applying under Category D need to provide an accountant’s letter.

7. GRANT PAYMENTS

The aim is that the funding will reach applicants within 10 working days of an application being approved, with payment by BACS (a BACS payment can take up to 3 days to be received).

BUSINESSES IN COMMERCIAL PREMISES A RATEABLE VALUE OR EQUIVALENT ANNUAL RENT VALUE	GRANT VALUES	SELF EMPLOYED, HOME BASED, SOLE TRADER, LICENSED MARKET TRADER
RV up to £15K	£6,000	
RV £15,001 to £51K	£9,000	
RV Over £51K	£13,500	
		£3,750

8. APPEALS

There is no right to appeal and the decision of the Council is final. Unsuccessful applicants will be advised of the outcome of an application by email.

9. STATE AID

All successful businesses will be required to declare that by accepting the grant payment, they confirm that they are eligible for the grant scheme, and that they confirm that any payments accepted will be in compliance with State Aid requirements. Any business that has reached the limits of payments permissible under the De Minimis and the UK Covid-19 Temporary State Aid Framework will not be able to receive further grant funding.

10. TAX

Grant income received by a business is taxable, therefore funding paid under the Local Business Support Grant (Additional Restrictions Grant) or Local Restrictions Support Grant (Open) will be subject to tax. Only businesses which make an overall profit once grant sales/revenue is included will be subject to tax.

11. GENERAL

The Council reserve the right to modify and/or withdraw the grant and its associated conditions, particularly to ensure that public money is spent well. This may be in response to changes in national legislation, local economic and health conditions and changes in funding circumstances.

Businesses are responsible for providing true and accurate information, and applicants are asked to note that:-

- Providing wrong or misleading information is a criminal offence and any such information may be used against applicants in any subsequent criminal investigation. The information provided on the online application form may be made available to other departments/agencies for the purposes of preventing or detecting crime.
- Any grant received by a business must be declared to HM Revenue & Customs (HMRC) as appropriate as part of the tax return for the business. For further information, you can contact HMRC's Coronavirus (COVID-19) helpline.
- Any grant received by the business will be used only for the purpose intended ie. to help alleviate the financial pressure of the recipient business and to the exclusion of any other individual or third-party gain.

- The applicant will be asked to certify that the information provided on behalf of the business is true and correct to the best of the applicant's knowledge and belief, and should it be subsequently determined that the grant was awarded on the basis of wrong or misleading information, the grant will be subject to recovery in full.
- The applicant accepts that in applying for a grant an officer of the Council may at a reasonable time enter the premises to interview the applicant and inspect, copy, record and remove any accounting or other record, including original documents, as may be required for the purposes of confirming the eligibility of the business.
- The applicant understands that an officer of the Council, including Planning, Environmental Health, Public Health and/or Trading Standards, may undertake spot checks of the premises. If there is non-compliance with regulatory requirements, the grant, or any portion of the grant, may be withheld, or will be repayable by the business.
- The applicant understands that the information provided on the online form will be made available to other government departments and their agencies for the purpose of detecting and preventing crime.
- The applicant understands that if the Council approves the application, the terms and conditions shall be enforceable on the basis of the Terms and Conditions of the grant scheme

12. CHECKLIST FOR APPLICANTS

You will be asked to provide information and documents to support your grant application, so the following checklist is to be used to help you gather the information **BEFORE** you start to complete the online application form.

You must complete the online application form in one session as it cannot be saved. Any missing or incorrect information will delay the appraisal and payment process.

Do not use Safari web browser (there are incompatibility issues when using Safari).

Please read the Checklist, Terms and Conditions and Privacy Notice before completing the online form.