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Chartered Accountants

NEW GRANTS FOR BUSINESSES HIT BY LOCAL LOCKDOWNS

Government ministers have announced new grants of up to £1,500 to help businesses shut down by local lockdowns or targeted restrictions.

Businesses in England required to close due to localised COVID-19 interventions will now be able to claim up to £1,500 per property every three weeks, Chief Secretary to the Treasury Steve Barclay told MPs today.

To receive the grant, a business must have been required to close due to local COVID-19 restrictions. According to a government release on the new scheme:

- if a business occupies premises with a rateable value less than £51,000 or occupy a property or part of a property subject to an annual rent or mortgage payment of less than £51,000, it will receive £1,000 for every three weeks it is required to close
- if a business has a rateable value more than £51,000 or part of a property subject to an annual rent or mortgage payment of more than £51,000, it will receive £1,500.

Payments are triggered by a national decision to close businesses in high-risk areas and are currently available in Blackburn with Darwen, Pendle, and Oldham as part of an ongoing trial scheme.

Local authorities will be responsible for distributing the grants and could add further eligibility criteria.

To help other businesses affected by closures which may not be on the business rates list, local authorities will also receive additional government support. Payments made to businesses from this discretionary fund can be any amount up to £1,500 and could be less than £1,000 in some cases.

The government also confirmed that local grant to closed businesses will be treated as taxable income. Businesses still closed at a national level (for example nightclubs) will not be eligible.

Chief Secretary to the Treasury Steve Barclay told MPs the grants provide businesses with “a safety net as they temporarily close their doors to help save lives in their local areas.”

Barclay also reiterated the government’s recent commitment to fund additional payments for people on low incomes required to self-isolate in areas with high levels of COVID-19. More details on this scheme can be found on the government website [here](#).

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