

CITY OF LONDON CORPORATION

CITY OF LONDON RECOVERY GRANT FUND

On 11th March 2021 the City Court of Common Council agreed to create a grant fund for City SME Businesses that have been impacted by the Covid-19 Pandemic. The scheme is designed to support businesses which contribute to the City's vibrancy at street level and directly provide services to returning City workers, visitors, and residents. The necessary infrastructure for a successful City has been affected by enforced closure or low footfall and this scheme will seek to support those businesses that can evidence, through the grant application process, a likelihood that with support they have a reasonable chance to survive beyond the short term.

The scheme is entirely discretionary, and the City is permitted to use its own local knowledge based on economic need to determine qualification criteria.

Who will receive a Grant?

The City is aiming this support at SME businesses that have their trading premises primarily in the City of London and who serve the general public through an in-person service in the following sectors:

- i) retail
- ii) hospitality
- iii) medical (e.g. doctors, physiotherapists, dentists, opticians)
- iv) leisure

The business does not need to be a business ratepayer but if not a ratepayer then the business must be delivered at street level, at a fixed location, contribute to the vibrancy of the street scene and contribute to increased footfall within the City.

Through an application and financial evaluation process, applicants will be required to demonstrate the following:

- the business has had its trading premises in the City of London since at least the 11th March 2020:
- the business is currently operational and trading or will be trading once restrictions are lifted:
- that the business has suffered a significant financial impact directly attributable to the Covid-19 Pandemic:
- that it remains viable and that it has a reasonable chance of surviving in the short term:
- the business has taken steps to reduce its costs as far as practical and has taken up all available grants/loans:
- the business has actively engaged with its landlord and agreed a rent-free period or a reduction in rent:

- that prior to 11th March 2020 the business satisfies at least 2 of the following 3 criteria and pays the Living Wage.
 - i. Turnover: less than £5m
 - ii. Employees: fewer than 50
 - iii. Net Assets: less than £250K
- that the business has registered with the City of London Covid Compliant Accreditation Scheme

Who is ineligible for the Grant?

Businesses that provide the following services:

- Financial services (e.g. banks, building societies, cash points, bureaux de change, short-term loan providers, insurance companies/brokers)
- Professional personal services (e.g. solicitors, accountants, insurance agents/ financial advisers, recruitment agents)
- Businesses that are not wholly or mainly serving city workers, residents or visiting members of the public.
- Businesses that are not wholly or mainly reliant on in-person services
- Businesses that are wholly or mainly providing business to business commercial trade.
- A business that has ceased trading, is in liquidation, in administration or dissolved.

The Assessment Process

Applications will be accepted between 12th April and 11th June 2021. No applications will be accepted after the closing date.

Funds will be awarded on a first come, first served basis. If the level of grants awarded exceeds the allocated funding, then the scheme will be closed with immediate effect.

The assessment process has two-stages.

-Stage 1.

Completion of an online application form to collect relevant information. The business will need to supply the following information:

- Name and address of the business
- Registered business address
- Details of Company Directors including DOB
- Business Rate Account Number (If the business is the ratepayer)
- Date of occupation or the date the business began trading in the City
- Company number
- VAT number
- National Insurance Number (if a sole trader)
- Number of employees
- Annual turnover etc.
- Name and address of current accountant (if applicable)

The application form will request that the following documents, or as many as the business has available are uploaded:

- Bank Statements (This should include pre-March 2020 statements and three recent statements)
- P&L Account and Balance Sheet for last three years (two of which should be before the pandemic). For newer businesses, their pre-pandemic forecast and actual performance.
- Current management accounts (to include Profit and Loss Account and Balance Sheet)
- Cashflow forecast (to include pre-pandemic actuals). Where neither forecasts nor pre-pandemic actuals are available, businesses should demonstrate cashflow requirements up to the point they expect to see a return to stable trading
- Evidence of the reduction in your rent that the business has negotiated.
- Valid Street Trader Licence where applicable.

You will also be asked to make a short statement detailing the level of grant you are seeking and why the business requires it.

-Stage 2.

On submission of the form, a full financial assessment will be carried out by an Independent third-party organisation. As part of this assessment further evidence and documentation may be requested. Further information that may be required could be but not limited to:

- HMRC Payment plans
- Owner/manager support
- Aged debtor and creditor schedule
- Details of agreements with finance creditors, HMRC and other liabilities not detailed in creditor schedule.
- Property lease where applicable
- Coronavirus Business Interruption Loan Scheme (CBILS)/Bounce Back Loan Scheme (BBLs)
- Furlough schemes
- Business Support Grants
- Evidence of CVA Supervisor Statement if applicable.

A meeting may also be required with the third-party organisation undertaking the financial assessment.

On completion of this financial assessment, a recommendation will be made to the City of London on whether the business meets the scheme criteria, whether a grant payment should be made, and if so, how much that grant should be and whether there are any caveats. The City will then accept or reject the application and notify the business accordingly.

How the Grants will be awarded?

Grants will be based on the individual business requirements after a financial evaluation but will not exceed £100,000 per business. In exceptional circumstances and/or if the business operates from more than one location this amount may be increased.

Grants will either be paid as an immediate up-front payment or spread over not more than two payments. The second payment may be subject to a further light touch financial evaluation. The final payment will be paid not later than 31st January 2022.

Assistance with the Online Application Form

If you require any assistance with completing the form, then please e-mail cbl@cityoflondon.gov.uk or leave a message on 020 7332 1812.

Declaration

All applicants will be required to confirm that acceptance of the grant will not exceed the state aid limits. The United Kingdom remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU. It is considered unlikely that businesses eligible for this support will exceed these limit however details of the State Aid requirements will be made available as part of the application process.

The City of London is under a duty to protect the public funds it administers, and to this end may use the information that is being provided for the prevention and detection of fraud. It may also share the information it holds with other bodies responsible for auditing or administering public funds for these purposes. For further information, please visit www.cityoflondon.gov.uk/nfi

If a Business is found to have canvassed Members, City of London Officers or the third party assessor during the application process, they will be immediately disqualified from the process.

Appeals

This is an entirely discretionary scheme and there is no appeal process. The City of London's decision is final.

Data Protection

How we will use your information. The City of London Corporation is a data controller, and processes the personal data you provide, in accordance with the UK GDPR and the Data Protection Act 2018. For full details of how and why the City processes personal data, please refer to the full privacy notice, at www.cityoflondon.gov.uk/privacy. Please direct all data protection queries to the Information Compliance Team at information.officer@cityoflondon.gov.uk. The City will share this information with third party contractors who are certificated chartered accountants to undertake the financial assessment. This authority also has a duty to protect public funds it administers and may use information held about you for the prevention and detection of fraud and other lawful purposes. This may include, but not be limited to undertaking credit reference checks. The City of London will also use the information for the purpose of performing any of its statutory

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enforcement duties. It will make any disclosures required and may make any disclosures permitted by law and may also share this information with other bodies responsible for auditing or administering public funds. We will not disclose your personal information to third parties for marketing purposes.”