

BULLETIN 2 - SUPPORT FOR BIRMINGHAM BUSINESSES AFFECTED BY THE DISTURBANCES

To help those businesses affected by the recent disturbances that took place in the City Centre and in other areas of Birmingham we wish to announce details of the Government's High Street Support Scheme which is a comprehensive package of financial support.

The package consists of the **Business Rates Hardship Relief Fund** and the **Financial Recovery Fund** and can provide help with business rates, financing building repairs and to encourage customers to come back to the affected areas. Details of the help available can be found below.

This Government package is designed to support eligible small to medium size businesses (SMEs) that meet the following criteria:

- Fewer than 250 employees worldwide
- Turnover below £ 11.2 million per annum
- Must be independent (or franchise)
- Be operating in an area affected by recent disorders in Birmingham between 6-11th August 2011
- Have suffered losses as a direct result of that disorder.

Business Rate Hardship Relief Fund

Businesses can apply for reductions in their business rates for the period 6th August 2011 to 31st March 2012 if they pay their business rates to Birmingham City Council and can show that they would suffer hardship as a result of the disturbances should they not receive business rates hardship relief from the City Council.

Businesses would be expected to be able to show from an analysis of their trading records, compared against comparable previous periods, that they have suffered a significant downturn in trade as a direct result of the disturbances and that this has and would continue to cause then a hardship in the future without support from this Fund.

Financial Recovery Fund

This Fund is aimed at affected small and medium-sized businesses and commercial districts recover from the impact of the recent disorder more swiftly than they would be able to do so without additional assistance. It is expected that the majority of assistance will take the form of small grants to affected individual businesses groups of businesses or business representative organisations, or funding for other activity that will directly assist the recovery of an affected commercial district.

Eligible costs

Grant payments to individual businesses or groups of businesses should only be made in respect of costs that are a direct consequence of the recent disorder and in respect of loss of bona fide business assets and exceptional business expenses.

Business costs that are eligible for grant aid are likely to include the following:

- Temporary accommodation
- Non-recoverable insurance excesses relating to motor vehicles, buildings, fixtures and fittings, plant and equipment, office equipment including computers and stock
- Replacement of essential assets similar to those listed above that are not covered by insurance
- Removal of debris and similar clean-up costs
- Emergency repairs to motor vehicles, plant, machinery, equipment, buildings etc that are necessary to make these items safe and/or restore them to business use
- Additional staff costs incurred as a result of clean-up or other emergency response activity
- Reinstatement of business records including computerised data
- Structural surveys, engineering reports and similar professional costs which arise as a direct result of the impacts of civil disorder
- Security measures
- Marketing material and business recovery activity.

Businesses will be able to claim for sums paid out prior to applications subject to submission of evidence showing that they are related to the impact of the disturbances.

Ineligible costs and limits

Grants made to businesses or groups of businesses should not be used to cover the following:

- Routine business expenses that would be incurred regardless of the recent disturbances, eg. ongoing staff or other operational costs;
- Loss of earnings;
- Costs that will be met by other grants or similar financial assistance;
- Costs in respect of which the business has received reimbursement from its insurers. However, consideration would be given to those businesses which are suffering from cash flow issues resulting in delays in the processing of their insurance claims.
- Recoverable VAT.

Beyond these exclusions, Birmingham City Council will more generally wish to take into account the importance of ensuring that grants made under the Scheme do not serve the purpose of rewarding businesses for poor business practice, for instance – for instance if a business has not put any insurance arrangements in place.

Application Process

Further details and application forms for this financial support package is available from www.birmingham.gov.uk, or by contacting the dedicated Recovery Team phone line on 0121 464 8164.

All applications for funding will need to be supported by relevant evidence including evidence of costs incurred plus one of the following:

- Company registration number (if a limited company incorporated in England and Wales)
- Copy of a valid VAT Registration Certificate or other official confirmation of your VAT number (e.g. most recent VAT return)
- Copy of a current PAYE payment booklet
- Copy of a valid Employer's Liability Insurance certificate or policy
- Copy of other valid business insurance certificate or policy.

Applications need to be submitted to:

Barbara Kelly, Birmingham City Council, 2nd Floor, 1 Lancaster Circus, Birmingham, B4 7DJ, or by email to businessrecovery@birmingham.gov.uk by **9th September 2011** although an extension to this deadline can be granted in exceptional circumstances. All applications will be considered by a panel of Birmingham City Council staff and a decision will be made as quickly as possible as to whether or not the claim for support under the High Street Support Scheme will be approved.

General Advice.

- West Midlands Police urge you to contact them immediately to report any related incidents of crime not yet reported. This will enable you to obtain a crime number to support your insurance claims and also to enable the Police to fully assess the extent of the disorder. You will be allocated a crime number on the basis of one per business rather than one generic crime report for the whole incident. Make sure however that you report any incidents to your insurance provider without delay.
- If you have business insurance, contact your business insurance provider to check what you are covered for.
- If you require further information with regards to insurance issues contact the Association of British Insurers on 0207 600 3333 or at www.abi.org.uk
- If you do not have business insurance, you may be able to claim for compensation through the Riot Damages Act by notifying your local police authority within 42 days.
- The Her Majesty's Revenue & Customs has announced that it will delay tax payments for businesses needing help through Time to Pay and will offer other practical support, contact Civil Disorder helpline number on 0845 366 1207 for detailed advice.

- Banks are putting in place special arrangements to make sure that emergency enquiries from affected customers can be dealt with simply and quickly. Please contact your bank for details.

Access to Finance

- The Government is working closely with the [British Bankers Association](#) to ensure that affected businesses of all sizes, but especially small businesses, receive help.
- Where businesses have been affected by the recent rioting banks have put in place special arrangements to make sure that emergency enquiries from affected customers can be dealt with simply and quickly.
- Banks have put in place numbers for customers to call, teams are available inside the banks to help and business relationship managers are getting in contact.
- The banks will sympathetically and sensitively consider the problems of each business. Additional financial support will be available should it be required to provide solutions for the affected businesses.
- These include for example, where necessary making available short to medium term finance arrangements for repairs and to replace stock, and repayment holidays until insurance claims are settled.

For further information on all these points visit the Department for Business Innovation and Skills website on www.bis.gov.uk

The council is also looking at support through the Planning process for those businesses which require new shop fronts. Further details will be announced as they become available.

Further Support

To help staff in businesses which have been affected by the disturbances there is free and confidential help available from the Crisis Support Team within The Adults & Communities Directorate, Birmingham City Council. They are specially trained and available to be called upon to offer immediate, short-term emotional support to those affected by an emergency.

Anyone who would like to talk to someone in confidence about their experiences can call 0800 073 0440 between 8am and 8pm Monday to Friday.