

## ECONOMY AND LABOUR MARKET

### 1. Summary

On 7 October, while announcing further measures to reduce the spread of coronavirus (COVID-19), the First Minister confirmed new business support to be delivered by local authorities, called the Coronavirus (COVID-19): Restrictions Fund.

This is the first of two releases of statistics on this fund. While payments under the furlough support scheme was part of this fund, the deadline for Local Authorities to return this monitoring information was 15 December 2020, so this data cannot be included in this release. The second release on 29 January 2021 will include these furlough support payment statistics as well as the outcome of any ongoing appeals.

Across Scotland 3,555 awards have been granted from the Hardship Fund and 3,623 awards from the Temporary Closure Fund making a total of 7,178 awards granted.

The vast majority of applications have now been processed, with only 17 applications still awaiting processing (0.2%). Of those that have been processed, 73% (7,178) resulted in an award, while 27% (2,673) were rejected or referred/deferred (Table 1).

For the Temporary Closure Fund, in those businesses with a RV of less than 51k, 77% (3,095) of processed applications were accepted, whilst 23% (925) were rejected. For businesses with an RV greater than £51k, 68% (524) of processed applications were accepted, whilst 32% (249) were rejected.

For the Discretionary Hardship Fund, in those businesses with a RV of less than 51k, 57% (3,012) of processed applications were accepted, whilst 43% (2,258) were rejected. For businesses with an RV greater than £51k, 64% (541) of processed applications were accepted, whilst 36% (308) were rejected.

The total funding available across Scotland was £27 million. Of this, £17 million (63%) has so far been allocated. This shortfall is not unexpected as funding was based on estimated maximum uptake which represented a conservative scenario.

The average fund spent per Local Authority for the Temporary Closure Fund was £621,000.

The average fund spent for the Discretionary Hardship Fund per Local Authority was £172,000.

This support is separate from and in addition to the Coronavirus (COVID-19) Restrictions Fund to support employees and businesses impacted by local COVID-19 restrictions, from 9 October until 1 November. Applications for that funding closed on 3 November.

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## **2. Introduction and background**

The COVID-19 Restrictions Fund offered grant support to businesses very directly impacted by the restrictions which applied between 9 October and 2 November.

Closure grants were available for hospitality and other businesses in the central belt which were required to close by the regulations. Hardship grants were available for businesses that were not required to close by the regulations but significantly and directly impacted by the restrictions - such as pubs and restaurants out with the central belt, and some specified businesses in the hospitality supply chain. To be eligible for this support a business had to meet a number of eligibility criteria which were set out on the Scottish Government website. This included that the business premises must have been registered for Non-Domestic rates, and the level of grant award was dependent on the rateable value of the premises. Businesses that pay rates through their landlords rather than directly to a Council were also eligible to apply.

This Fund was administered by Local Authorities on behalf Scottish Government, and closed to applications on 3 November 2020.

### 3. COVID-19 Business support fund applications

#### 3.1 Application status

Across Scotland 3,555 awards have been granted from the Hardship Fund and 3,623 awards from the Temporary Closure Fund making a total of 7,178 awards granted.

The vast majority of applications have now been processed, with only 17 applications still awaiting processing (0.2%). Of those that have been processed, 73% (7,178) resulted in an award, while 27% (2,673) were rejected or referred/deferred (Table 1).

The proportion of rejections for applications to the Hardship Fund is 43% compared to the Temporary Closure Fund at 0.2%.

**Table 1: Application status at the national level, by fund type**

Fund	Applications awaiting processing		Awards		Rejected, referred or deferred	
	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>
Hardship Fund	17	0.3	3,555	57.0	2,665	42.7
Temporary Closure Fund	0	0	3,623	99.8	8	0.2
<b>Total</b>	17	0.2	7,178	72.7	2,673	27.1

#### 3.2 Application status by Local Authority (LA)

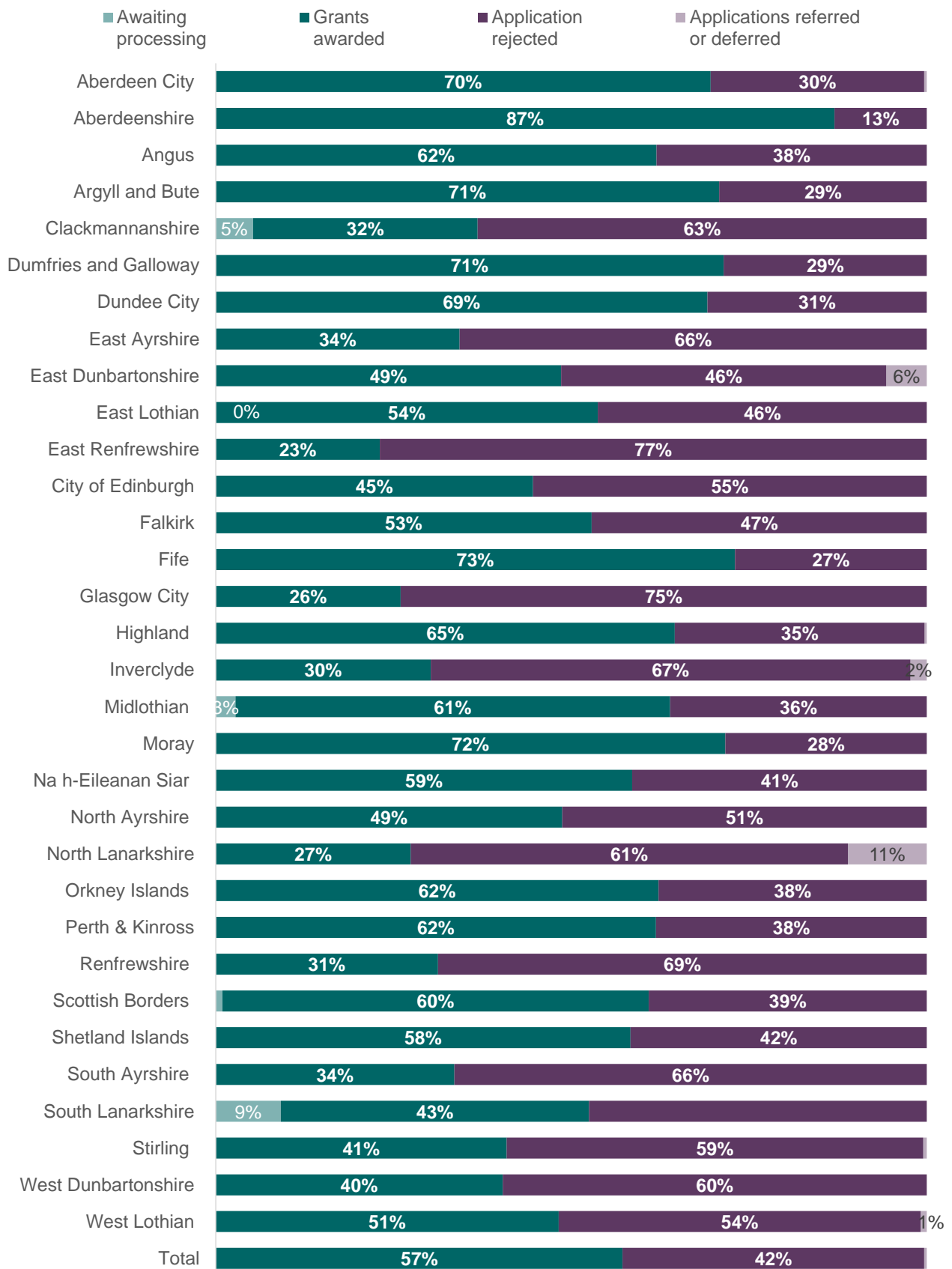
The percentage of rejections was 27% at a national level, with an average of 83 in each LA.

##### 3.2.1 Discretionary Hardship Fund by Local Authority

The percentage of applications awaiting processing, awarded, rejected and referred/deferred varied across Local Authorities (LA), see Figure 1. The percentage of awards was 57% at a national level, ranging between 23% and 87% at LA level translating to an average number of 111 awards across LAs.

Applications may be rejected, referred or deferred for a number of reasons including multiple applications made by a single business, not meeting the eligibility criteria or requiring additional information to be provided.

**Figure 1 Hardship Grant Application Status by Local Authority**



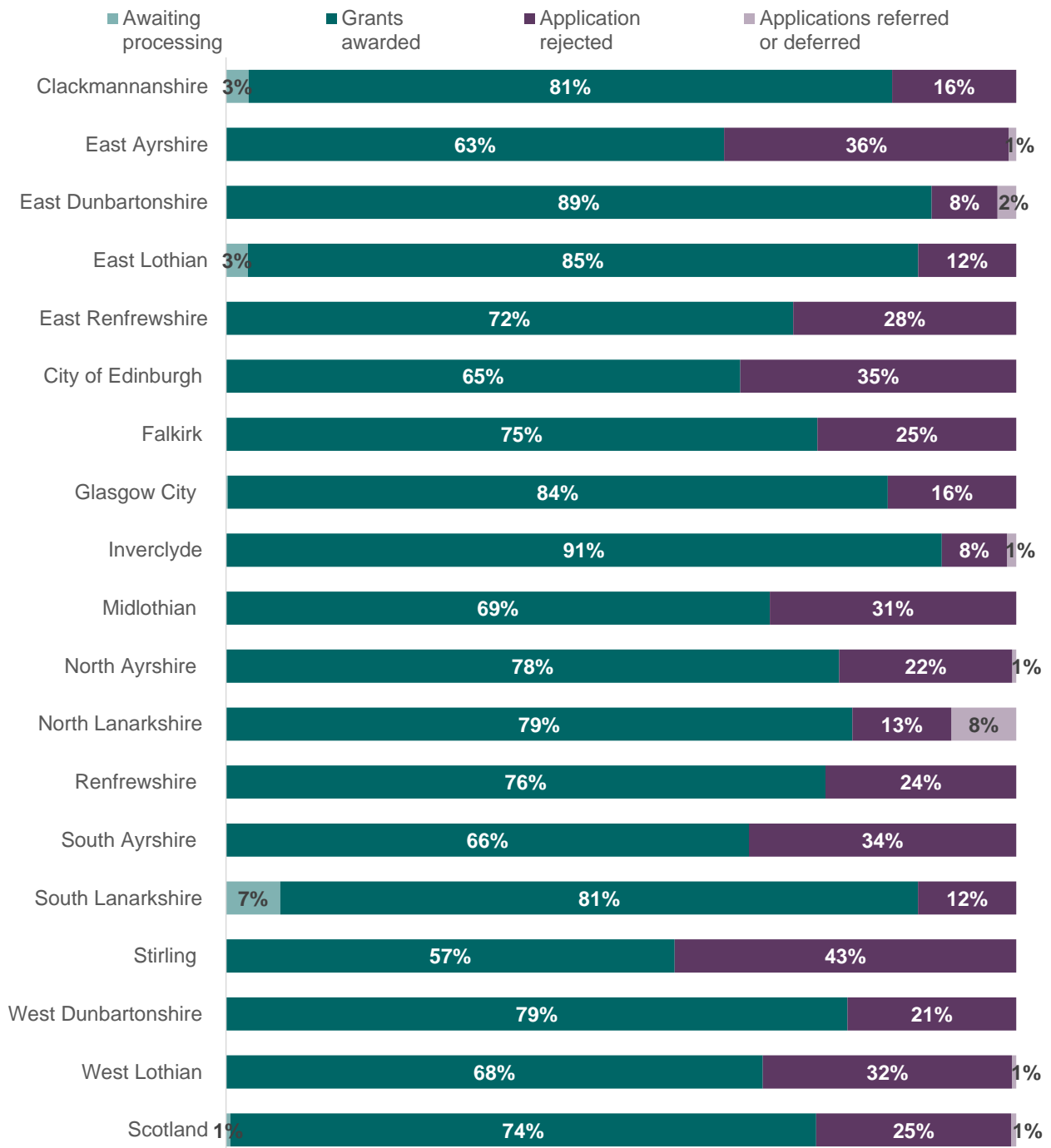
### 3.3 Temporary Closure Grant by Local Authority

The maximum number of temporary closure grant applications at Local Authority level was 1,242 with the number of applications, as would be expected, correlating with the size of the Local Authority.

The proportions of applications accepted ranged between 91% (77) and 57% (88).

Overall, only 32 applications for temporary closure grant across Scotland were referred or deferred and 17 applications across Scotland were still outstanding at the time of reporting.

**Figure 2 Temporary Closure Grant Application Status by Local Authority**



### 3.4 Application status by rateable value

Due to the reporting process the number of applications awaiting processing cannot be disaggregated by rateable value (RV).

For the Temporary Closure Fund, in those businesses with a RV of less than 51k, 77% (3,095) of processed applications were accepted, whilst 23% (925) were rejected. For businesses with an RV greater than £51k, 68% (524) of processed applications were accepted, whilst 32% (249) were rejected.

For the Discretionary Hardship Fund, in those businesses with a RV of less than 51k , 57% (3,012) of processed applications were accepted, whilst 43% (2,258) were rejected. For businesses with an RV greater than £51k, 64% (541) of processed applications were accepted, whilst 36% (308) were rejected.

**Table 2: Table of application status for processed applications, by fund and RV**

	Temporary Closure Fund					Discretionary Hardship Fund				
	Awarded		Rejected, referred or deferred		Total	Awarded		Rejected, referred or deferred		Total
	Number	%	Number	%		Number	%	Number	%	
<£51k	3,095	77%	925	23%	4,020	3,012	57%	2,255	43%	5,267
>£51k	524	68%	249	32%	773	541	64%	308	36%	849
<b>Total</b>	<b>3,619</b>	<b>76%</b>	<b>1,174</b>	<b>24%</b>	<b>4,793</b>	<b>3,553</b>	<b>58%</b>	<b>2,563</b>	<b>42%</b>	<b>6,116</b>

#### 3.4.1 Temporary Closure Fund by Rateable Value and Local Authority

As shown in Table 3 for larger businesses with a rateable value over 51K 13 Local Authorities awarded grants to over half the Temporary Closure Fund applicants resulting in 482 awards.

For larger businesses with a rateable value over £51k, the range in proportions of awards to applications processed by Local Authority , was 100% to 12%.

The highest level for applications at Local Authority Level from businesses with an RV less than £51k was 1,011 of which 63% (633) resulted in awards. The highest proportion of awards for temporary closure funding for businesses with an RV less than £51k was 100% (109, 225 and 122).

**Table 3 Temporary Closure Fund application status by Rateable Value and Local Authority**

Local Authority	RV<£51k					RV>£51k				
	Applica tions	Awarded		Rejected, referred or deferred		Applica tions	Awarded		Rejected, referred or deferred	
		Number	%	Number	%		Number	%	Number	%
Clackmannan- shire	64	55	86	9	14	4	2	50	2	50
East Ayrshire	189	121	64	68	36	22	12	55	10	45
East Dunbarton- shire	71	66	93	5	7	13	9	69	4	31
East Lothian	126	108	86	18	14	15	15	100	0	0
East Renfrewshire	74	55	74	19	26	11	6	55	5	45
City of Edinburgh	1,011	633	63	378	37	232	176	76	56	24
Falkirk	109	109	100	0	0	53	12	23	41	77
Glasgow City	841	673	80	168	20	188	188	100	0	0
Inverclyde	81	74	91	7	9	4	3	75	1	25
Midlothian	91	64	70	27	30	18	11	61	7	39
North Ayrshire	176	144	82	32	18	16	5	31	11	69
North Lanarkshire	225	225	100	0	0	16	16	100	0	0
Renfrewshire	204	163	80	41	20	28	13	46	15	54
South Ayrshire	122	122	100	0	0	76	9	12	67	88
South Lanarkshire	247	222	90	25	10	38	25	66	13	34
Stirling	131	75	57	56	43	24	13	54	11	46
West Dunbartonshire	82	67	82	15	18	7	3	43	4	57
West Lothian	176	119	68	57	32	8	6	75	2	25
<b>Total</b>	4,020	3,095	77	925	23	773	524	68	249	32



### 3.4.2 Discretionary Hardship Fund – by Rateable value and Local Authority

As is shown in Table 4, 17 Local Authorities awarded over half of the applications for businesses with an RV of less than £51k and 25 Local Authorities awarded over half of the applications for businesses with an RV of greater than £51k

**Table 4 Discretionary Hardship Fund application status by Rateable value and Local Authority**

Local Authority	RV<£51k					RV>£51k				
	Applica tions	Awarded		Rejected, referred or deferred		Applica tions	Awarded		Rejected, referred or deferred	
		Number	%	Number	%		Number	%	Number	%
Aberdeen City	205	135	63	70	34%	68	55	79	13	18
Aberdeenshire	225	193	84	32	14%	37	35	95	2	5
Angus	191	118	59	73	33%	9	6	67	3	22
Argyll and Bute	273	190	67	83	30%	25	21	84	4	16
Clackmannan- shire	31	8	19	23	65%	5	4	60	1	20
Dumfries and Galloway	366	258	69	108	28%	19	17	89	2	11
Dundee City	237	167	69	70	22%	32	19	59	13	41
East Ayrshire	120	37	28	83	58%	17	10	53	7	35
East Dunbartonshire	34	16	35	18	26%	1	1	100	0	0
East Lothian	60	29	30	31	8%	7	7	71	0	0
East Renfrewshire	23	4	9	19	65%	3	2	67	1	33
City of Edinburgh	462	200	36	262	44%	96	49	48	47	43
Falkirk	36	33	92	3	0%	51	13	25	38	75
Fife	429	309	70	120	19%	41	34	80	7	12
Glasgow City	360	70	8	290	64%	32	32	97	0	0
Highland	545	339	61	206	35%	73	60	81	13	16
Inverclyde	35	10	23	25	66%	8	3	38	5	63
Midlothian	31	19	35	12	23%	4	3	25	1	25
Moray	165	115	65	50	30%	15	14	93	1	7

Local Authority	RV<£51k					RV>£51k				
	Applica tions	Awarded		Rejected, referred or deferred		Applica tions	Awarded		Rejected, referred or deferred	
		Number	%	Number	%		Number	%	Number	%
Na h-Eileanan Siar	65	37	55	28	43	5	4	80	1	20
North Ayrshire	64	25	30	39	47	14	13	86	1	7
North Lanarkshire	25	25	68	0	0	12	12	92	0	0
Orkney Islands	51	31	55	20	29	2	2	100	0	0
Perth & Kinross	372	221	55	151	38	35	31	86	4	11
Renfrewshire	81	24	26	57	68	15	6	40	9	60
Scottish Borders	297	179	57	118	37	17	11	65	6	35
Shetland Islands	46	30	59	16	30	14	5	29	9	64
South Ayrshire	36	36	78	0	0	116	15	13	101	56
South Lanarkshire	92	41	42	51	39	17	11	65	6	18
Stirling	172	61	33	111	62	26	20	77	6	23
West Dunbartonshire	48	17	31	31	63	9	6	67	3	33
West Lothian	90	35	38	55	9	24	20	83	4	4
<b>Total</b>	<b>5,267</b>	<b>3,012</b>	<b>57</b>	<b>2,255</b>	<b>43</b>	<b>849</b>	<b>541</b>	<b>64</b>	<b>308</b>	<b>36</b>

## 4. Uptake and spend against budget

The total funding available across Scotland was £27 million. Of this, £17 million (63%) has so far been allocated. This shortfall is not unexpected as funding was based on estimated maximum uptake which represented a conservative scenario.

**Table 5: National level spend and budget complete**

Fund	Spend £	% Budget complete
Closure	£11,171,595	66
Hardship	£5,518	56
<b>Total</b>	<b>£16,690</b>	<b>62</b>

### 4.1 LA level spend and budget

#### 4.1.1 Temporary Closure fund

At Local Authority Level uptake of funding for Local Authorities impacted by the restrictions the Temporary Closure Fund ranged between 50% (£272,000) and 104% (£167,000). The average fund spent for those Local Authorities who had eligible businesses is £621,000

Most Local Authorities did not exceed their budget allocation, although as the scheme was demand led, any LAs exceeding their budget is neither unexpected nor problematic.

#### 4.1.2 Discretionary Hardship Fund

At Local Authority Level uptake of funding for the Discretionary Hardship Fund ranged between 29% (£10,000) and 83% (£93,000). The average fund spent per Local Authority was £172,000.

**Table 6 Spend by Fund Type By Local Authority**

Local Authority	Closure <sup>1</sup>		Hardship		Total LA Spend (£, '000)
	Actual spend (£, '000)	% Budget complete	Actual spend (£, '000)	% Budget complete	
Aberdeen City	0	0	313	30	313
Aberdeenshire	0	0	360	60	360
Angus	0	0	183	51	183
Argyll and Bute	0	0	319	53	319
Clackmannanshire	167	104	20	74	187
Dumfries and Galloway	0	0	408	77	408
Dundee City	0	0	281	52	281
East Ayrshire	400	67	75	71	474
East Dunbartonshire	229	86	25	53	254
East Lothian	375	96	57	68	432
East Renfrewshire	184	83	10	29	194
City of Edinburgh	2,573	64	391	72	2,963
Falkirk	386	78	76	66	462
Fife	0	0	521	57	521
Glasgow City	2,756	67	170	54	2,926
Highland	0	0	617	50	617
Inverclyde	226	59	21	81	247
Midlothian	229	62	34	75	262
Moray	0	0	196	60	196
Na h-Eileanan Siar	0	0	62	74	62
North Ayrshire	436	65	64	62	500
North Lanarkshire	716	72	62	43	778

<sup>1</sup> Where 0 is shown in actual spend budget complete this means no businesses are eligible at this point for closure fund in the Local Authority

Local Authority	Closure <sup>1</sup>		Hardship		Total LA Spend (£, '000)
	Actual spend (£, '000)	% Budget complete	Actual spend (£, '000)	% Budget complete	
Orkney Islands	0	0	49	39	49
Perth & Kinross	0	0	395	70	395
Renfrewshire	525	58	47	43	572
Scottish Borders	0	0	281	70	281
Shetland Islands	0	0	54	54	54
South Ayrshire	381	55	83	54	464
South Lanarkshire	746	62	83	42	829
Stirling	272	50	131	66	403
West Dunbartonshire	206	61	37	64	243
West Lothian	368	62	93	83	461
<b>TOTAL</b>	<b>£11,172</b>	<b>66</b>	<b>£5,518</b>	<b>56</b>	<b>£16,689</b>

## 5. Methodology

### 5.1 Data collection

### 5.2 Data collection

Each Local Authority in Scotland has recorded information relating to applications received for the Strategic Framework Business Fund. Local Authorities in Scotland are the owners of these data.

Scottish Government asked all Local Authorities in Scotland to provide the following information, via a standardised excel template, for publication purposes;

- Number of applications received
- Number of applications rejected
- Number of applications referred or deferred
- Number of applications accepted (and therefore a grant awarded)
- Value of grants awarded

Scottish Government asked that this information be provided for both grants and business sectors, and within each fund for the information to be further split by rateable value (less than/equal to £51k and over £51k)

The requested information was to cover the period 9 October to 2 November. Information on support for furloughed workers was collected alongside this. The deadline for submission was 15 December..

### **5.3 Data reporting**

The information received from each Local Authority was amalgamated into a single dataset. This dataset was drawn from the templates received and aimed to create national level figures. There are some caveats to this approach;

- In some returns the stated number of applications received was lower than the sum of the application status categories (awaiting processing, rejected, referred or deferred and awarded). In these cases, the total number of applications has been recalculated to equal this sum.
- In other returns, the total number of applications exceeded the sum of the application status categories (awaiting processing, rejected, referred or deferred and awarded). In these cases it has been assumed that the discrepancy is caused by additional applications 'awaiting processing' and that figure has therefore been updated accordingly.
- Some Local Authorities did not disaggregate the information by rateable value. Disaggregated information has been calculated and provided wherever possible.
- Due to the timelines of data collection and analysis the support for furloughed workers data was not included in this publication. It is scheduled to be part of a second publication on this fund, alongside results of appeals.

## **An experimental statistics publication for Scotland**

This is the first publication of these statistics and therefore they are labelled as experimental statistics. Experimental statistics are defined by the Code of Practice for Statistics as 'a subset of newly developed or innovative official statistics undergoing evaluation, that are published in order to involve users and stakeholders in the assessment of their suitability and quality at an early stage'. Official and National Statistics are produced to high professional standards set out in the Code of Practice for Official Statistics. Both undergo regular quality assurance reviews to ensure that they meet customer needs and are produced free from any political interference.

More detail on designation of statistics can be found at:

<https://uksa.statisticsauthority.gov.uk/about-the-authority/what-we-do/uk-statistical-system/types-of-official-statistics/>

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