

**COVID-19 EMERGENCY  
DECISIONS TAKEN UNDER URGENCY POWERS  
IN ACCORDANCE WITH PART 3 OF THE CONSTITUTION**

**ADDITIONAL RESTRICTIONS GRANT**

**1. Decision:**

Approve the Additional Restrictions Grant Discretionary Scheme policy document, attached to this report.

**2. Background documents**

In response to the second lockdown, the Government announced support for Business, including the Additional Restrictions Grant, which aims to support those businesses impacted by the lockdown but not eligible for the main grant scheme. Guidance on this element of business support was issued on the 3<sup>rd</sup> November with further advice, in the form of FAQ's, being published on the 9<sup>th</sup> November.

**3. Reasons for decision:**

To approve a policy for the distribution of discretionary business grants within a reasonable timeframe of the announcement of the second lockdown.

**4. Resource implications:**

An £1,900,380 grant from government has been received to fund the Additional Restrictions grants. It has been made clear in the funding agreement that this is a one-off payment and no further top ups will be paid. The funding is to cover the remainder of the current financial year and can be carried into the next financial year for ongoing scheme elements. There is also more flexibility in the scheme which will allow the council to consider wider business support if a balance of funding exists from the initial grants round and any subsequent grant rounds required.

**5. Who has been consulted:**

The policy document attached as Appendix A is a product of partnership working neighbouring authorities. The decision to agree the policy has been taken in consultation with the Leader of the Council who is also the Portfolio Holder for Economic Development and the Lead Member for Finance & Asset Management.

**6. What were the comments:**

Comments received from all parties have been incorporated into the final policy wording.

**7. Background/context:**

On 31 October 2020, the Government announced the introduction of additional support for Local Authorities under national and Local Covid Alert Level 3 restrictions. The scheme is called the Additional Restrictions Grant (ARG) and is administered by business rate billing authorities in England. This scheme is in addition to the main business grant support scheme - Local Restrictions Support Grants (Closed) Addendum – which supports those business which have been mandated to close during the second lockdown.

**8. Alternative options considered and why they were rejected:**

Directive from Government to put in place an Additional Restrictions grants scheme. The policy document aims to capture as many businesses impacted by lockdown restrictions as possible within the financial envelope provided and thus has selected eligibility criteria to allow this. The policy also mirrors the level of support offered in the main scheme so as to be consistent and fair.

**9. Risk analysis:**

Limited financial risk given the grant award made by Government. This and the main scheme will cover a large proportion of business within the Borough that have been impacted by CV19 therefore mitigating the reputational risk. Given the timeframe associated with the grant, there will be opportunity to consider further additions to the policy and wider business support. The opening of this grant scheme will be two weeks after the opening of the main scheme to mitigate the risk of the staffing resource being overwhelmed by applications.

**10. Any other relevant considerations:**

None

**11. Chief Executive/CE authorising decision:**

Mike Dawson

**12. Title of Officer completing report:**

Head of Finance & Asset Management

**13. Date:**

13<sup>th</sup> November 2020



# **Tewkesbury Borough Council National – Additional Restrictions Grant Discretionary Scheme**

## Version Control

Version	Version date	Revised by	Description
1			
2			
3			
4	16.11.20	E Harley	Final approved
5			
6			
7			

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## **1.0 Purpose of the scheme**

- 1.1 The purpose of this document is to determine eligibility for a payment under the Council's Additional Restrictions Grant (ARG).
- 1.2 The new grant scheme has been developed in response to the ARG guidance provided to local authorities by the Department for Business, Energy and Industrial Strategy (BEIS) issued on 3 November 2020. This guidance sets out circumstances whereby a grant payment **may** be made by the Council to a business which does not qualify for the national 'Local Restrictions Support Grant Schemes'.
- 1.3 Whilst the awarding of grants will be at the total discretion of the Council, the BEIS has set down criteria which must be met by each business making an application for a discretionary grant. The Department has also indicated the types of business which should be given priority.
- 1.4 This document sets out the criteria which BEIS has provided to the Council to determine eligibility for this discretionary grant scheme. It also outlines the approach the Council will take in determining whether an award should be paid or not.

## **2.0 Funding**

- 2.1 The Government has provided the Council with funding to cover all national restrictions imposed upon the Borough within financial year 20/21. The Council can still make payments from any of the remain funding until 31 March 2022. The primary use of these monies is to provide discretionary grants to as many eligible businesses as possible, however the Council's expenditure cannot exceed the allocated funding. Any unspent monies, at the end of the imposition of national restrictions will be used towards wider business support activities within the Borough as agreed by the Council.
- 2.2 The Council will limit the total awards to the level of funding available from Government.

## **3.0 Grant Funding and period**

- 3.1 The Government, whilst wanting Councils to exercise their local knowledge and discretion, expect the funding provided to help those businesses which – while not legally forced to close – are nonetheless severely impacted by the restrictions.
- 3.2 A business is excluded from the grant funding if:
  - a) The business is in administration, insolvent or has been struck off the Companies House register
  - b) The business has exceeded the permitted state aid threshold. The ARG counts towards the total de minimis limit a business can receive over a 3-year period which is €200,000. If a business has reached this threshold it may still be entitled to the funding under the COVID-19 Temporary Framework. The limit for this framework is €800,000.
  - c) The business fails to meet the criteria or fails to provide the Council with sufficient information to determine whether it meets the criteria, it will not be awarded an Additional Restrictions Grant.
  - d) The Business is entitled to receive a grant under the Local Restrictions Support (Closed) Addendum Grant is not eligible for a grant under the ARG.

- e) A business will not receive funding if its substantive operational activities are undertaken online.
- f) Self-employed persons who are eligible for the Self-Employed Income Support Scheme (SEISS) and do not have fixed property costs, for example rent, are not eligible for ARG.

3.3 The grant is a one-off payment and an online grant application can be made from 10am, Monday 23 November 2020 to midnight, Wednesday 2 December 2020.

## 4.0 Grant Eligibility

4.1 The Council has established the eligibility criteria based on Government guidelines and with the aim to support local businesses within the borough of Tewkesbury. The criteria are as follows (you must meet at least one of these to be eligible): -

- Businesses which supply the retail, hospitality and leisure sectors
- Businesses in the events sector or who supply the events sector
- Businesses who have been forced to close due to circumstances beyond their control
- Businesses who have been severely impacted by the national restrictions in place from 5 November 2020 to 2 December 2020.

4.2 Businesses must demonstrate a local connection to the borough of Tewkesbury, either by being on the Council's business rating list or the registered address of the business is within the borough. It might only be a residential address for a sole trader or partnership. Simply trading within the Borough of Tewkesbury is not sufficient to demonstrate a local connection.

4.3 Businesses must have been trading up to 4 November 2020 and will continue to trade after the restrictions have been lifted.

4.4 Businesses must be able to demonstrate that they have suffered financial loss as a result of the national restrictions.

4.5 Businesses must have fixed costs that are attributed to the business and that will be incurred through the lock down period 5 November 2020 to 2 December 2020. Costs excluded for eligibility purposes are residential property costs such as domestic mortgages and rents.

4.6 Business must be registered with HM Revenue and Customs (HMRC) for tax purposes (for sole traders and partnerships this means they must be registered for self-assessment purposes).

4.7 The types of evidence required to support the eligibility criteria are: -

- Bank Statements – which cover the last 3 months. The statements should detail Bank Account Name, Address, Sort Code, Account Number and highlight transactions that support business costs.
- HMRC – latest self-assessment tax return, VAT registration reference (if applicable)
- Financial Accounts/Records – most recent annual accounts, and income/expenditure data (this could be from an accounting or manual system)
- Customer data – list of business customers and event bookings.
- Lease/rent agreements and Title Deeds – documentation that demonstrates the business connection to a property located within the borough of Tewkesbury and the annual rent.

- Business costs – business costs are defined as business loans provided by an approved lender (excluding those provided through Government backed schemes), business rent, commercial mortgage, business equipment and maintenance costs, insurance, utilities, and licences. Such payments must continue to be incurred during the national restrictions' lockdown period.

The above is not an exhaustive list and the applicant should provide as much information as possible to support their application. The Council reserves the right to request further information from the applicant as required in order to make a grant determination.

## 5.0 How will grants be provided to businesses?

- 5.1 The Council is fully aware of the importance of grants to assist businesses and support the local community and economy. The Additional Restrictions Grant scheme will offer a lifeline to businesses affected by the national lockdown restrictions.
- 5.2 In all cases, an online application form **is** required, and this can be completed on-line at the Council's website: <https://covid19.tewkesbury.gov.uk/national-restrictions-grants>  
If the requested information is not provided with the application form, the application may be deemed invalid. The Council may ask for supplementary information. If this is not provided as requested the application may also be deemed invalid.
- 5.3 An application for an Additional Restrictions Grant is deemed to have been made when a duly completed application form is received via the Council's online application form.
- 5.4 The Department for Business, Energy & Industrial Strategy (BEIS) has issued a guidance document which will be used in administering the scheme along with any updated versions and supplementary guidance.

## 6.0 How much grant will be payable

6.1 Grant values payable are as follow: -

A) A self-employed person who has no fixed property costs - £1,334 one off payment for each business

Or

B)

Businesses that have a rateable value (RV) or annual rent	Grant Value and Terms
£15,000 or under	Property on business rating list - 1 grant for each hereditament  Property not on the rating list – 1 grant per business  £1334
£15,001 - £50,999	Property on business rating list - 1 grant for each hereditament  Property not on the rating list – 1 grant per business  £2,000.

£51,000 or over	Property on business rating list - 1 grant for each hereditament  Property not on the rating list – 1 grant per business  £3,000
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- 6.2 The Council reserves the right to alter the level of grant awarded where the number of successful applications received exceeds the level of funding available.

## 7.0 Limitation of funds and applications

- 7.1 All monies paid through the Additional Restrictions Grant scheme will be funded by Government and paid to the Council under S31 of the Local Government Act 2003. However, as mentioned in Section 2, the funds are limited and, as such, the Council is not able to award a grant where funds are no longer available.

- 7.2 In order to fairly administer the scheme, the Council has decided that awards will be determined as follows:

- (a) Any businesses wishing to claim should complete the necessary form on the Council's website as shown in paragraph 5.2. This will also include the provision of such evidence as required by the Council;
- (b) All claims will be made online;
- (c) Applications will be validated before assessment commences. An application is considered valid when all supporting evidence has been received in order to assess against the grant criteria. Due to the wide reach of this scheme we aim to make all payments to businesses before Christmas.

## 8.0 EU State Aid requirements

- 8.1 Any Additional Restrictions Grant is given as aid under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak as published on 19 March 2020. This means that businesses receiving support under these provisions can receive up to €800,000 in aid over three years (being the current and the previous two years).
- 8.2 Any grant awarded is required to comply with the EU law on State Aid. This will involve the applicant declaring to the Council if they have received any other de minimis State aid or aid provided under the EU Commission Covid-19 Temporary Framework.

## 9.0 Scheme of delegation

- 9.1 The Chief Executive in consultation with the Lead Member for Economic Development and Promotion and the Lead Member for Finance and Asset Management has approved this policy under urgency powers.

- 9.2 Officers of the Council will administer the scheme and the Lead Member for Economic Development and Promotion, the Lead Member for Finance and Asset Management and Chief Executive are authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with Government guidance.

## **10.0 Notification of decisions**

- 10.1 Applications will be considered by the Business Grants Team.
- 10.2 All decisions made by the Council shall be notified to the applicant by email.

## **11.0 Reviews of decisions**

- 11.1 Each application will be reviewed by a separate review team before a refusal is issued and the applicant will be notified by email.
- 11.2 The applicant can then ask for a review of this decision within 3 working days, clearly stating the grounds for review, and this will be undertaken by the Head of Finance and Asset Management (or other Head of Service) and agreed with the Lead Member for Finance and Asset Management. Their decision is final.
- 11.3 The review process will be the mechanism used to review decisions to award or not award grant payments. The Council's complaints procedure will be applied in respect of other grievances in relation to the scheme.

## **12.0 Complaints**

- 12.1 The Council's complaints procedure (available on the Council's website) will be applied in the event of any complaint received about this scheme apart from the decision to award or not award a discretionary business grant.

## **13.0 Other scheme conditions**

- 13.1 The Council has been informed by Treasury that all grants are taxable. Applicants should make their own enquiries to establish any tax position or liability.

## **14.0 Managing the risk of fraud**

- 14.1 Neither the Council, nor the Government will accept deliberate manipulation of the scheme and fraud. Any applicant caught falsifying information to gain grant money or failing to declare entitlement to any of the specified grants will face prosecution and any funding issued will be recovered from them.
- 14.2 Applicants should note that, where a grant is paid by the Council, details of each individual grant may be passed to Government.
- 14.3 The Council reserves the right to reclaim any grant paid in error.

## **15.0 Post Assurance Monitoring**

- 15.1 Grant applicants in receipt of a payment may be contacted by the Council in connection with either obtaining further information to support a beneficiary or eligibility verification check or, to gather information on the purposes to which the grant monies were used.