



**West
Northamptonshire
Council**

West Northants Council

Additional Restrictions Grant (Discretionary) Fund Policy

Background

On Saturday 31st October 2020 the government announced new national restriction measures and have provided funding to support local economies and businesses that are adversely impacted by national and Local Covid Alert Level Very high restrictions being put in place.

Part of the financial support measures announced in the government' budget are grants to help businesses who have been forced to close under the latest measures. The previous mandatory grant scheme, the Local Restrictions Support Grant is to cease from the 31st March 2021 and is to be replaced with the Restart grant Scheme. The Restart Grant scheme is to support the following businesses as the economy re-opens following the easing of National Restrictions:

- **Non-essential retail businesses** with a **rateable value of £15,000 or less**, will receive a one-off grant of **£2,667**.
- **Non-essential retail businesses** with a **rateable value over £15,000 and less than £51,000**, will receive a one-off grant of **£4,000**.
- **Non-essential retail businesses** with a **rateable value of £51,000 or above**, will receive a one-off grant of **£6,000**.
- **Qualifying Hospitality, Accommodation, Leisure, Personal Care and Gym** business properties with a **rateable value of £15,000 or less**, will receive a one-off grant of **£8,000**.
- **Qualifying Hospitality, Accommodation, Leisure, Personal Care and Gym** business properties with a **rateable value over £15,000 and less than £51,000**, will receive a one-off grant of **£12,000**.
- **Qualifying Hospitality, Accommodation, Leisure, Personal Care and Gym** business properties with a **rateable value of £51,000 or above**, will receive a one-off grant of **£18,000**.

The Government has also recognised that some businesses that are required to close do not meet the mandatory grant criteria or may not have a rateable value. Others may not have been forced to close, but they will be significantly impacted by the restrictions. As such Local Authorities have been allocated funding under the Additional Restrictions Grant (ARG). This funding is to support businesses alongside the Local Restrictions Support Grant and the Restart Grant Scheme. The funding can be used across financial years 2020-2021 and 2021-2022.

Local Authorities are required to determine how to use this funding to support local businesses in line with the eligibility criteria set out in the guidance provided by Government which encourages Local Authorities to develop discretionary grant schemes to help those businesses which:

- while not legally forced to close are nonetheless severely impacted by the restrictions. For example, businesses which supply the retail, hospitality and leisure sectors, or businesses in the events sector.
- Are outside of the business rates system and are forced to close – for example market traders.
- Are important to the local economy, this may be in addition to the funding provided under the Restart Grant Scheme, subject to Subsidy Allowance. Are not applicable under the mandatory scheme due to the nature/type of business

The three predecessor Councils forming West Northamptonshire Council from the 1st April 2021 are Northampton Borough Council, Daventry District Council and South Northamptonshire Council. From the 1st April 2021 all remaining Additional Restriction Grant funding held by the three predecessor Councils will be transferred to West Northamptonshire Council. This will create an Additional Restrictions Grant fund of **£4,885,298** made up of funding of **£1,546,747** from Northampton Borough Council, **£1,820,633** from Daventry District Council and **£1,517,918** from South Northamptonshire Council.

The goal is to try and support as many businesses as possible that have been affected by the restrictions with the money received from government while keeping the individual grant amounts high enough that they will provide meaningful support to those businesses.

The three predecessor Councils each had separate Additional Restriction Grant policies prior to the 1st April 2021, this policy supersedes those individual policies to deliver a consistent approach and level of funding across the West Northamptonshire area.

Previous rounds of Additional Restrictions Grant funding provided urgently needed support to businesses which were seriously impacted by the November 2020 national restrictions and the 3rd national restriction, beginning on 5th January 2021.

The remaining Additional Restrictions Grant funding will be provided to support economic recovery and growth following the easing of National Restrictions.

This policy relates specifically to the ARG Discretionary Grant element of the funding and in determining this policy West Northamptonshire Council has sought to balance the amount of overall funding received with the number of businesses it can support.

The government guidance can be seen in full here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/932623/V.1. Additional Restrictions Grant - FINAL LA guidance 03112020.pdf

Exclusions

- Businesses which can continue to trade and can operate their services remotely.
- Businesses which have chosen to close but are not required to close unless they can demonstrate significant financial impact as a result of restrictions
- Businesses which have already received grant payments that equal the maximum levels of Subsidy Allowance permitted (please refer to page 7).
- Business which are in administration, insolvent or where a striking off notice has been made are not eligible for funding under this discretionary scheme.

Eligibility Criteria

- Businesses must have a registered address in the West Northamptonshire area to be eligible for this scheme. The business will need to be trading within the West Northamptonshire area. Where a business is registered in another council area (although has a presence in the West Northamptonshire Council area) the council will take a discretionary view on a case-by-case basis
- Businesses must be actively trading or be taking measures to re-open from the 1st April onwards.
- Businesses which have been forced to close and which are outside of the business rate system, for example shared spaces and market traders, are eligible to apply under this scheme.
- Business owners who operate their business from home but have fixed business-related costs are also eligible to apply.
- Businesses while not legally forced to close but which provide goods or services to a business that is mandated to close are eligible to apply for a grant. This could include, for example, businesses which supply the retail, hospitality and leisure sectors or businesses in the events sector. A statement will be required from the company showing that:
 - at least 30% of their revenue comes from businesses required to close, or
 - 30% of normally expected revenue has been lost during the period.

In taking decisions on the appropriate level of grant, the Council may take into account the level of fixed costs faced by the business in question, the number of employees, whether they can continue to trade and the scale of the loss/impact of covid-19.

Application process

The Council has an online application form, this is the only mechanism through which the Council will accept applications. For businesses who do not have access to the internet, please contact us and the Council will be able to assist you.

The previous application window(s) for ARG funding were made available for the period of Tier 3, Tier 4 and National Restrictions covering the periods **5 November to 2 December 2020, 26 December 2020 to 31 March 2021.**

The next window for applications will open on **19th April 2021** and close at midnight on **3rd May 2021**. The ARG funding will be available to run alongside the Restart Grant scheme whilst funding remains available.

Documentary evidence must be provided to support an application, so applicants must ensure they have collated relevant documentation prior to seeking support from the Council.

It will be important that all the information provided is accurate and truthful and provide all the supporting documents that are requested. Failure to do so could lead to an application being declined or significantly delayed.

The Council will seek to reach a decision within 10 working days of receipt of all the required information.

If the Council suspects any business is trying to fraudulently claim the grant, it will investigate accordingly. Where evidence of fraud is present, we will prosecute the offending business.

The policy will be updated to determine further application windows for future restriction periods.

Evidence required to support an application

Closed businesses applying for ARG funding will be required to make a statement that confirms their eligibility and in addition to this businesses that are required to close will need to provide evidence of their trading status in the form of a bank statement showing business name, registered address and income details for the last three months.

Open businesses applying for ARG funding will be required to make a statement that confirm eligibility. In addition, the businesses will need to provide evidence to demonstrate that they supply companies which are required to close or that there has been a substantial impact on their income. This will be in the form of a bank statement showing business name, registered address and income details for the last three months along with comparative bank statements covering the same period for the financial year 2019/2020 (pre Covid 19).

Evidence

Information	Evidence Required	Comment
Payment details	Copy of bank statement clearly showing bank account name, business address, sort code and account number and a utility bill clearly showing your business address	This must match the name of the business or individual listed on the business rates bill or lease/mortgage agreement

<p>Evidence of a significant fall in income due to Covid-19 including evidence to demonstrate that you supply companies that are required to close</p>	<p>You will need to provide evidence of reduced income. This may include (but is not restricted to):</p> <ul style="list-style-type: none"> • Bank statements • Evidence of loss of income such as loss of contract • Evidence of loss of income due to closure of companies you supply in the form of bank statements, invoices or other documentary evidence. 	<p>It is at the businesses discretion what form this evidence takes but it must clearly show the turnover of the businesses for these periods</p>
<p>Evidence of trading from the 1st April 2021 onwards</p>	<p>Where you have a business rates account this will be enough as the date liable will be used. For businesses that are not rated you will need to provide evidence.</p>	<p>This could be in the form of stock orders, sales, lease agreements etc.</p>
<p>Evidence of eligibility under State aid rules</p>	<p>This will be done by way of self-declaration on the online application form</p>	<p>If you are unsure whether State aid applies to your business, you will need to seek independent legal advice.</p>

Grant payments

As previously stated, the Council has received a limited funding allocation for ARG. As such how much Grant a business receives will depend on their specific circumstances with a maximum cap of a one-off payment of £18,000.

The table on the following page stipulates the payment award amounts for the period from the 1st April 2021 onwards:

Forced to Close or severely impacted businesses that are Non-ratepayers such as shared space or market traders (outside of the business rates listing).	£2,667
Forced to close or severely impacted businesses with a rateable value of £15k or under that derive more than 50% of their income from Non-Essential Retail.	£2,667
Forced to close or severely impacted businesses with a rateable value of over £15k and less than £51k that derive more than 50% of their income from Non-Essential Retail	£4,000
Forced to close or severely impacted businesses with a rateable value of £51k and over that derive more than 50% of their income from Non-Essential Retail	£6,000
Forced to close or severely impacted businesses with a rateable value of £15k or under that derive more than 50% of their income from Hospitality, Accommodation, Leisure, Personal Care or Gym service sectors.	£8,000
Forced to close or severely impacted businesses with a rateable value of over £15k and less than £51k that derive more than 50% of their income from Hospitality, Accommodation, Leisure, Personal Care or Gym service sectors.	£12,000
Forced to close or severely impacted businesses with a rateable value of £51k and over that derive more than 50% of their income from Hospitality, Accommodation, Leisure, Personal Care or Gym service sectors.	£18,000

Payments will be made by BACS on Friday of each week.

The Council reserves the right to change the amount of grant awards depending on the number of applications received and the remaining funding. Once all funding of £4,885,298 has been allocated the Discretionary ARG Scheme will close.

The scheme will be reviewed and updated in line with the prevailing Government guidance, restrictions and funding.

Appeals Process

There is no right to appeal, and the decision of the Council is final.

The Council's interpretation of this document is at its own discretion and it will be the final arbiter of the definitions contained within this policy.

There are other avenues of support that businesses have available through the other government schemes.

Subsidy Allowance

Small Amounts of Financial Assistance Allowance.

Grants may be paid in accordance with Article 3.2(4) of the TCA, which enables an applicant to receive up to a maximum level of subsidy without engaging Chapter 3 of the TCA. This allowance is 325,000 Special Drawing Rights, to a single economic actor over any period of three fiscal years, which is the equivalent of £335,000 as at 2 March 2021. An applicant may elect not to receive grants under the Small Amounts of Financial Assistance Allowance and instead receive grants only using the below allowances available under this scheme.

COVID-19 Business Grant Allowance.

Where the Small Amounts of Financial Assistance Allowance has been reached, grants may be paid in compliance with the Principles set out in Article 3.4 of the TCA and in compliance with Article 3.2(3) of the TCA under the COVID-19 Business Grant Allowance (subsidies granted on a temporary basis to respond to a national or global economic emergency). For the purposes of these scheme rules, this allowance is £1,600,000 per single economic actor. This allowance includes any grants previously received under the COVID-19 business grant schemes and any State aid previously received under Section 3.1 of the European Commission's Temporary Framework across any other UK scheme. This may be combined with the Small Amounts of Financial Assistance Allowance to equal £1,935,000 (subject to the exact amount applicable under the Small Amounts of Financial Assistance Allowance using the Special Drawing Right calculator).

COVID-19 Business Grant Special Allowance.

Where an applicant has reached its limit under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, it may be able to access a further allowance of funding under these scheme rules of up to £9,000,000 per single economic actor, provided the following conditions are met:

<https://www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities>

The local authority must be satisfied that all Subsidy Allowance requirements have been fully met and complied with when making grant payments.

The Council will require each business to confirm that by accepting the grant payment, the business confirms that they are eligible for the grant scheme, including that any payments accepted will follow Subsidy Allowance requirements.

Tax

Grant income received by a business is taxable therefore funding paid under the Local Restrictions Support Grant will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.

Data Protection

The Council treats all its information that it holds on file with the upmost care and confidentiality. For more on our Privacy Policies and to see how we use and share your data, please see our website

Right to Update this Policy

The Council reserves the right to update and change this policy without notification or warning in the event that the government updates or changes its guidance to us or in the event of an error or omission.