

COVID-19 Business Support Grants

Additional Restrictions Grant

1. Introduction

- 1.1. A number of Business Support Grants were announced by Government as a package of national grant provisions effective from 5th November 2020. These included:
- **Local Restrictions Support Grant (Closed) Addendum**; to support businesses that are required to close as a result of the national restrictions being put in place to manage coronavirus.
 - **Additional Restrictions Grant**; local authority run scheme to support businesses more broadly that are severely impacted by the new restrictions.
 - **Local Restrictions Support Grant (Sector)**; to support businesses that were required to close in March, and which have never been able to reopen, for example nightclubs.
- 1.2. The Local Restrictions Support Grant (Closed) Addendum (LRSG(C) A) and Local Restrictions Support Grant (Sector) (LRSG(S)) are subject to separate schemes. If your business is required to close and you are a business rate payer, please refer to LRSG (S) and LRSG (C) A schemes.
- 1.3. This policy focuses on the local authority **Additional Restrictions Grant** scheme only. The purpose of this grant scheme is to support businesses that have been adversely impacted by national restrictions imposed to control the spread of Covid-19. It will be for local authorities to devise a scheme and approach that reflects their local circumstances, such as providing support for micro-businesses with fixed costs or support for businesses that are crucial for their local economies.
- 1.4. The value of the payment to be made to a business is at the discretion of the local authority.
- 1.5. The West of England Unitary authorities (Bath & North East Somerset Council, Bristol City Council, South Gloucestershire Council) and North Somerset Council have developed a regional policy to provide some consistency in the additional support available to businesses across the wider region.
- 1.6. Businesses must apply for support under this scheme directly to the local council where the business is trading. You can [check the postcode of where your business is trading](#) to see which is your local council. Note, if you apply to the wrong council your application will be declined and you will need to apply directly to the correct council.

2. Eligible businesses

- 2.1 Your business (including those that are self-employed and sole traders) may be eligible if:

- Your business is based in the relevant council area, was 'open as usual' on the day before restrictions came into force and has 49 or fewer employees (a person who receives remuneration via your payroll system), and either:
 - You are not a business rate payer of the premises you trade from, or occupy, and are required to close (this includes businesses registered for Council Tax);
 - Your business is not required to close and has closed due to a significant impact on trading;
 - Your business is continuing to operate, but with significantly reduced demand due to social distancing rules.

For the avoidance of doubt, businesses that were 'open as usual' means those who were trading on the date before the restrictions came into force.

3. Funding to be provided to businesses

- 3.1. To provide support to as many businesses as possible the Additional Restriction Grant, which the Council will award under this scheme, will be up to £1,000 for businesses with fewer than 10 employees and up to £1,500 for businesses with 10 to 49 employees.
- 3.2. The West of England unitary authorities will collaborate when assessing and awarding grants and eligible businesses will only be entitled to one grant per business (not one per business premises) per cohort* across the West of England region.
- 3.3. The respective council has discretion as to the prioritisation of all applications received; this is likely to be based on local economic need and subject to the availability of funding. Councils will reserve the right to withhold payment where there is evidence that a business has a detrimental impact on the region, residents or our communities.

4. Eligibility Criteria

If your business meets all the following criteria, you could be eligible for a grant:

- 4.1. Businesses trading on the day before the restrictions came into force (actively buying/selling goods or services, excluding activities undertaken for the purposes of acquiring or setting up a proposed new trade).
- 4.2. Businesses within the West of England region with ongoing fixed business-related costs e.g. rent, service charges, tool and equipment hire and Council Tax.
- 4.3. Businesses not entitled to a grant under the Local Restrictions Support Grant (C)A.
- 4.4. Businesses which can demonstrate they have suffered a significant fall in income (including online activity) due to the Covid-19 crisis.

- 4.5. Businesses with 49 or fewer employees (a person who has received remuneration via your payroll system in the last 3 months and who has a contract of employment).

5. Exclusions from the Discretionary Scheme

- 5.1 If your business is outside of the West of England region.
- 5.2 Businesses entitled to a grant under the Local Restrictions Support Grant (C) A.
- 5.3 Businesses that have reached the state aid or de minimis limit.
- 5.4 Businesses that are in administration; are insolvent or where a striking-off notice has been made.
- 5.5 Businesses that are part of a national chain.
- 5.6 Private / residential accommodation where rooms / properties are let out, that do not have a food licence.
- 5.7 Self-employed who are eligible for/in receipt of Self-Employment Income Support Scheme and do not have material monthly fixed costs

6. Application process

- 6.1. Businesses must apply using the online application form (which will include the ability to upload documents at point of application) within the published dates.
- 6.2. Only one application is required per business and must list each premises they operate (within the West of England region).
- 6.3. Applicants will need to provide, where relevant and/or appropriate the following:
- Business type/sector
 - Company registration number
 - Charity number
 - VAT registration number
 - Business rate/Council tax account number
 - Number of employees
 - Photo ID or alternatively a passport number or driving licence number of the applicant
 - Declaration as to the impact on your business, including the proportion of trade you have lost from the closure of other businesses. We may ask for further information or supporting evidence.
 - Declaration as to State Aid
 - Bank details for payment
 - Email or correspondence address

- Declaration of accuracy and consent to use data for wider verification.
- 6.4. The volume of eligible businesses within the region indicates that this grant scheme is likely to be over subscribed. It is up to each local authority to decide how to structure and prioritise eligible grant applications received based on economic need. This may vary across the region and the local authority decision will be final. No separate dispute mechanism is in place with this fund and the dispute resolution process under the constitution of the respective council would apply.
- 6.5. To enable the total grant awards to be managed within the funding available to the council and clearly evidence the demand (should additional funding be subsequently available), a cohort approach is proposed.
- 6.6. ***Cohort 1 - application open** –the grant process for all applicants will be open for a defined period.

All business applications received will be assessed against the criteria, prioritised for award. Unsuccessful applicants will receive written notification and successful applications will be accelerated for payment. This will ensure the grants are awarded based on priority need across all business applicants and not on a first-come, first-served basis, which would result in inequitable outcomes.

- 6.7. **Further Cohorts** – will be considered should additional funding be available including an option for proportional top ups to original awards.
- 6.8. Businesses are encouraged to apply early in order for the assessment and payment deadlines to be achieved and each local authority will aim to process applications promptly, subject to accurate and appropriate evidence being provided at the point of application.

7. Who will receive this funding?

- 7.1. The person, business or organisation who according to their application is the eligible beneficiary, certified by the evidence included in their application.
- 7.2. This support is in addition to businesses' eligibility for the Government's existing Coronavirus Job Retention Scheme or its equivalent, government backed loans.
- 7.3. There is no right of appeal against a decision made under this policy.

8. Will this grant scheme be subject to tax?

- 8.1. Grant income received by a business is taxable therefore awards made under this scheme will have to be declared within the relevant annual tax return.

8.2. Only businesses making an overall profit once grant income is included will be subject to tax.

9. Managing the risk of fraud

9.1. Local authorities will not accept deliberate manipulation and will work collaboratively across the region and nationally to share intelligence and resources to detect fraud. Any business found to be giving false eligibility information or seeking to gain additional grant will be investigated. The council will recover money paid in error and fraudulent claims will be prosecuted in the courts.

10. State Aid

- 10.1. State Aid rules apply and businesses must make a declaration when applying for this scheme.
- 10.2. Payments of up to and including £10,000 can be provided under the De Minimis rules, meaning applicants can receive up to €200,000 of aid within a three-year period.

11. Local Discretion

11.1 Where exceptional circumstances exist, the Council reserves the right to vary the criteria of this scheme to respond effectively to local economic need.