

Cheltenham Borough Council

Additional Restrictions - Discretionary Business Grant Scheme Round 6 December 2021

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Definitions

The following definitions are used within this document:

‘Additional Restrictions Grant (ARG)’ means the additional funding provided by Government. Funding will be made available to eligible Local Authorities at the point that national restrictions are imposed or at the point the Local Authority first entered LCAL 3 local restrictions;

‘Covid-19’ (coronavirus); means the infectious disease caused by the most recently discovered coronavirus;

‘Department for Business, Energy & Industrial Strategy (BEIS)’: means the Government department responsible for the scheme and guidance;

‘Effective date’; Means, for eligibility of the grant, the commencement of the relevant award period in section 2

Hereditament; means the assessment defined within Section 64 of the Local Government Finance Act 1988

‘Local lockdown’; means the same as ‘Local restrictions’;

‘Local rating list’; means the list as defined by Section 41 of the Local Government Finance Act 1988

‘Ratepayer’; means the person who, according to the Council’s records, was the ratepayer liable for occupied rates in respect of the hereditament at the date of the local restrictions or widespread national restrictions;

‘Subsidy Allowance’; refers to the provisions which exist from 4 March 2021 to limit the amount of funding any one organisation or business can receive as part of grant schemes put in place by the government

1.0 Purpose of the Scheme and background.

- 1.1 The purpose of this document is to determine eligibility for a payment under the Council’s Additional Restrictions Grant Scheme (ARG). The Council, as the Business Rates Billing Authority is responsible for payment of these grants.
- 1.2 The Additional Restrictions Grant scheme has been developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy on 31st October 2020. The announcement set out the basic circumstances whereby an additional restriction grant payment can be made by the Council to a business which has to close or is severely affected due to localised or widespread national restrictions being put in place to manage coronavirus and save lives.
- 1.3 Whilst the awarding of grants will largely be at the Council’s discretion, the Department for Business, Energy & Industrial Strategy (BEIS) has set down criteria which **must** be met by each business making an application.
- 1.4 This scheme will apply in respect of award periods specified in section 2.

2.0 Award and Application Periods

2.1 The Additional Restrictions Grant scheme will be available for specific periods which will be added to this section.

Round	Award Period	Application window	Effective Date	Grant award
1	05/11/20 – 01/12/20	Closed	05/11/2020	As per 3.5 below
2	05/01/21 – 15/02/21	17/02/21 - 10/03/21	05/01/2021	As per 3.5 and 3.6 below
3	16/02/21 – 31/03/21	17/03/21 – 31/03/21		As per 3.5 - 3.7 below
4	01/04/21 – 16/05/21	05/05/21 – 16/05/21		As per 3.5 - 3.7 below
5	21/06/21- 19/07/21	30/06/21 – 11/07/21		As per 3.5 - 3.7 below
6	22/12/21 - 07/01/22	22/12/21 - 07/01/22		As per 3.5 - 3.7 below

3.0 Eligibility criteria and awards

- 3.1 The Council is able to use Additional Restrictions Grant funding for business support activities and the Government envisage that this will primarily take the form of discretionary grants but it can also be used for wider business support activities.
- 3.2 All funding provided under this scheme should provide direct support to businesses impacted by coronavirus restrictions. The Council has the discretion is able to set the amount of funding offered to individual businesses. The business premises must be within Cheltenham Borough Council's area.
- 3.3 To be eligible for this scheme businesses must be registered with companies house, HM Revenue and Customs (HMRC) for VAT purposes or for sole traders and partnerships registered for self -assessment purposes HMRC.

Eligibility Criteria

3.4 For the purposes of this scheme the Council has decided that the following eligibility criteria must be met in order to receive a Round 6 Additional Restrictions Grant:

Category 1 - Not applicable for Round 6

Category 2 – Not applicable for Round 6

Category 3 - Not applicable for Round 6

Category 4 - Not applicable for Round 6

Category 5 - Not applicable for Round 6

Category 6 – Not applicable for Round 6

Category 7 – Not applicable for Round 6

Category 8 - Not applicable for Round 6

Category 9 - Not applicable for Round 6

Category 10 - Not applicable for Round 6

Category 11 - Not applicable for Round 6

Category 12 – Local businesses that are pubs, bars, nightclubs, restaurants and café's that serve food and/or drink to customers at the premises and have experienced a loss in trade since plan B measures were announced on 8 December 2021

To be eligible businesses must:

- be the registered ratepayer occupying the premises on 1 December 2021 and continue to do be in occupation when grants are awarded

Businesses will not be eligible if

- On or after 1 December 2021, they have permanently closed, are in administration, insolvent, dissolved, about to be dissolved or where a striking-off notice has been issued
- The rateable value of the premises is above 105,000
- The majority of food and/or drink served at the premises is take-away rather than eat in
- They are part of national chains, affiliated to national chains or are franchises
- Sufficient information is not provided to demonstrate the business has been severely impacted by a loss of trade

Category 13 – Local businesses in the travel and tourism sector (travel agents & tour operators) with property costs or other on-going fixed business costs that have experienced a loss in trade since plan B measures were announced on 8 December 2021

This category applies to the following businesses types

- a) Business ratepayers occupying premises in respect of which the application is being made on 1 December 2021. There must be an entry in the rating list for the premises on 22 December 2021
- or
- b) businesses that are not business ratepayers (i.e. those businesses who do not occupy a separate hereditament within the Rating List) but are making rent or mortgage payments for the business premises in respect of which the application is being made. Businesses must be established and trading from the premises on a regular basis prior to 1 December 2021

or

c) businesses that do not have business premises but have unavoidable on-going fixed business costs (excluding employee costs, mobile phone, broadband, any personal or household costs such as mortgage and utility bills) To be eligible:

- The travel/tourism business must be clearly definable with evidence of trading such as business accounts, business bank account, vat registration, registered with companies house
- The business owner applying for the grant must be resident and either registered for council tax or on the register of electors in Cheltenham from 1 December 2021
- The business must be a main source of income for the applicant

Businesses will not be eligible if:

Types a and b

- The rateable value or annual rent paid for the premises is above 105,000
- They are part of national chains, affiliated to national chains or are franchises

Types a, b and c

- On or after 1 December 2021, they have permanently closed, are in administration, insolvent, dissolved, about to be dissolved or where a striking-off notice has been issued
- They are part of national chains or affiliated to national chains
- Sufficient information is not provided to demonstrate the business has been severely impacted by a loss of trade

Award Levels

3.5. The unspent balance of ARG funding at 21 December 2021 which is £346,000 will be allocated in Round 6. Eligible businesses will receive a one-off payment based on the number of successful applications received.

3.6 No payments will be made until after the application deadline has passed and all applications have been assessed

3.7 The Council has complete discretion to determine the amount of grant awarded to businesses and there will be no right of appeal against the amount.

Applications and evidence

- 3.8 Funding for this grant scheme is being limited and therefore it will only be open for businesses to apply during the application window for the relevant award period detailed in 2.1 above. Applications will not be accepted after the relevant application window has closed. The application form will be made available on the Council's website
- 3.9 Businesses must provide bank statements for the business with their application covering the whole of October and November 2021. The bank statements must show the name, address and business income and expenditure. If bank statements are not provided or they do not show evidence of business transactions the application will be rejected. A bank statement for a period prior to November 2021 may be required and must be provided if requested.
- 3.10 Applications not meeting the eligibility criteria will be rejected

Excluded businesses

- 3.11 The following businesses will **not** be eligible for an award:
- (a) Businesses that do not meet the criteria for the relevant category in 3.4 above
 - (b) Businesses that are have no premises related or other on-going fixed business costs
 - (c) Businesses that have not satisfactorily demonstrated they were established and trading on 22 December 2021 and continue to be trading when the grant award is being considered
 - (d) Businesses that cannot demonstrate they were actively trading during the 3 months immediately preceding 22 December 2021
 - (e) Businesses that do not provide the required bank statements to evidence valid bank account, name, address and relevant business transactions
 - (f) Professional services businesses such as legal and financial
 - (g) Businesses that do not provide the information requested, including evidence of business costs or paying rent/mortgage for business premises
 - (e) Businesses that, where required, have not supplied sufficient information to demonstrate that have been severely impacted
 - (f) Businesses will not be eligible for more than one of the categories in 3.4 above
 - (g) Businesses which have already received grant payment that equal the maximum levels of Subsidy Allowance permitted under EU-UK Trade and Co-operation Agreement (TCA)

- (h) Businesses that on or after 21 December 2021 are in administration, are insolvent, are dissolved, about to be dissolved, subject to a striking-off notice or under notice

Who can receive the grant?

- 3.12 The person or business entitled to receive the grant will be the applicant.
- 3.13 Where the Council has reason to believe that the information it holds about the business, or has been provided by the business, at the effective date is inaccurate, it may withhold or recover the grant and take reasonable steps to identify the correct ratepayer.
- 3.14 Where, it is subsequently determined that the records held, or information provided, are incorrect, the Council reserves the right to recover any grant incorrectly paid.
- 3.15 Where any business misrepresents information or contrives to take advantage of the scheme, the Council will look to recover any grant paid and take appropriate legal action. Likewise, if any ratepayer is found to have falsified records in order to obtain a grant.
- 3.16 Where there is no entry in the rating list for the business, the Council will have discretion to determine who should receive the grant.

4.0 How will grants be provided to Businesses?

- 4.1 Payment of a grant under this scheme will only be paid to a valid bank account. For limited companies payment will only be made to company or trading bank account
- 4.2 Details of how to obtain grants are available on the Council's website:

https://www.cheltenham.gov.uk/info/26/business_support_and_advice/1475/covid-19_business_support_grants

- 4.3 In all cases, businesses will be required to confirm that they are eligible to receive the grants. This includes circumstances where the Council already has bank details for the business and are in a position to send out funding immediately. Businesses are under an obligation to notify the Council should they no longer meet the eligibility criteria for any additional grants.
- 4.4 The Council reserves the right to request any supplementary information from businesses, and they should look to provide this, where requested, as soon as possible.
- 4.5 An application for an Additional Restriction Grant is deemed to have been made when a duly completed application form is received via the Council's online procedure.
- 4.6 All monies paid under this scheme will be funded by Government and paid to the Council under S31 of the Local Government Act 2003.

5.0 Subsidy Allowance

- 5.1 The new domestic subsidy allowance for the COVID-19 business support grants came in to effect on 4 March 2021 and apply in respect of grant applications from this date. Applications made prior to that date are subject to the previous State Aid rules. The scheme includes three subsidy allowances

- Small amounts of financial assistance allowance –up to £335,000 (subject to exchange rates) over any period of 3 years
- COVID-19 business grant allowance – up to £1,600,000
- COVID-19 business grant special allowance - if the limits under the small amounts of financial assistance allowance and COVID-19 business grant allowance have been reached , the business may be able to access a further allowance of funding under these scheme rules of up to £9,000,000, provided certain conditions are met.

5.2 Any grant awarded is required to comply the subsidy allowance rules. The applicant will be required to declare to the Council that they will exceed the limits.

6.0 Scheme of Delegation

6.1 Officers of the Council will administer the scheme and the Head of Revenues and Benefits in consultation with the Cabinet Member for Finance and Assets is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with Government guidance.

7.0 Notification of Decisions

7.1 Applications will be considered on behalf of the Council by the Revenues and Benefits Service.

7.2 All decisions made by the Council shall be notified to the applicant either in writing or by email. A decision shall be made as soon as practicable after an application is received.

8.0 Review of Decisions

8.1 The Council will operate an internal review process and will accept an applicant's request for a review of its decision regarding eligibility for a grant. There will be no review in respect of the grant amount awarded.

8.2 All requests in respect of eligibility for a grant must be made in writing to the Council within 14 days of the Council's decision and should state the reasons why the applicant is aggrieved with the decision of the Council. New information may be submitted at this stage to support the applicant's request for a review of the decision.

8.3 The applications will be reconsidered by a senior officer, as soon as practicable and the applicant informed in writing or by email of the decision.

9.0 Complaints

9.1 The Council's 'Complaints Procedure' (available on the Council's website) will be applied in the event of any complaint received about this scheme.

10.0 Taxation and the provision of information to Her Majesty's Revenue and Customs (HMRC)

- 10.1 The council has been informed by Government that all payments under the scheme are taxable.
- 10.2 The Council does not accept any responsibility in relation to an applicant's tax liabilities and all applicants should make their own enquiries to establish any tax position.
- 10.3 All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to businesses.

11.0 Managing the risk of fraud

- 11.1 Neither the Council, nor Government will accept deliberate manipulation of the schemes or 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 will be recovered from them.
- 11.2 Applicants should note that, where a grant is paid by the Council, details of each individual grant may be passed to Government.

12.0 Recovery of amounts incorrectly paid

- 12.1 If it is established that **any** award has been made incorrectly due to error, misrepresentation or incorrect information provided to the Council by an applicant or their representative(s), the Council will look to recover the amount in full.

13.0 Data Protection and use of data

- 13.1 All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available on the Council's website.

14.0 Administration

- 14.1 An application form will be available on the Council's website. As funding for this grant scheme is limited it will only be open for businesses to apply for a set number of days
- 14.2 No payment will be made until all applications have been assessed.