



Additional Restrictions Grant Policy

1. Introduction

- 1.1 On 3 October 2020, the Government announced the introduction of additional support for local authorities under the National and Local Covid Alert Level 3 Restrictions.
- 1.2 This support will take the form of a funding scheme in the financial year 2020/2021 and can be used across the following financial year 2021/2022. The scheme is called the Additional Restrictions Grant (ARG) and is to be administered by business rate billing authorities in England.
- 1.3 Businesses that are required to close, but do not pay business rates may be eligible for funding at the discretion of the local authority and may also include businesses not required to close but which are severely impacted.
- 1.4 This Policy is specifically intended to address those businesses which have been forced to close under the national lockdown or are severely impacted for the four week period of 5 November to 2 December 2020; or should the national lockdown period be extended, for any additional period following that. It will also address any future periods of national lockdowns, or Tier 3(or higher) restrictions, if imposed on the local district.

2. Eligibility

- 2.1 The grant funding is for those businesses that were trading on 4 November 2020 or the day before a new set of local or national restrictions came into force. Businesses must have high fixed property costs and/or have been severely impacted. In addition the council will prioritise the following types of businesses:
 - Regular market traders with fixed building costs, such as rent and who do not have their own business rate assessment
 - Bed and Breakfast establishments which pay council tax instead of business rates

- Charity properties who do not have their own business rate assessment
- Taxi drivers
- Tenant Publicans (where the public house owner pays business rates and is therefore eligible for a business grant – but the tenant landlord is responsible for other business related costs).
- Businesses that supply goods or services to the retail, hospitality, leisure and events sector who do not have their own business rate assessment, or where permitted to continue to trade the business has been severely impacted by the closure of the retail, hospitality, leisure and event sectors. (These will include those businesses with or without a business rate assessment).
- Travel companies or those transport providers who have been severely impacted by restrictions
- Small businesses in shared office or other flexible workspaces who do not have their own business rate assessment and have been severely impacted
- Those working from home who are not eligible for the self-employed income support scheme (SEISS), or coronavirus job retention scheme (CJRS) and have high fixed business costs such as rent, lease, hire purchase costs or franchise payments or other costs that would not be saved by not trading.
- Mobile self-employed persons, in receipt of SEISS, such as hairdressers and taxi drivers, who have been severely financially impacted by restrictions who have identifiable fixed costs whether related to property, vehicle or business.

3. Exclusions

3.1 The following businesses are those not considered eligible for the ARG payments:

- Businesses that are able to continue to trade because they do not depend on providing direct in-person services from premises and can operate their services effectively remotely; such as accountants and solicitors
- Businesses that have chosen to close, but not required to
- Businesses which has already received grant payments that equal the maximum levels of state aid permitted under the De Minimis and the Covid-19 Temporary State Aid framework

- Businesses that are in administration, are insolvent or where a striking off notice has been made
- Businesses that were not trading on 4 November 2020
- Businesses which are able to continue to trade on-line
- Businesses not severely impacted by recent national lock-down, or Tier 3 (or higher) restrictions
- Businesses that are eligible for a mandatory Local Restrictions Support Grant (LRSB)
- Directors who receive dividends

4. Application Process

- 4.1 Applications, along with supporting documentation will be accepted electronically through the council website.
- 4.2 For each period of national lockdown or tier 3 (or higher) restrictions an 'application window' will be given in which the council will accept applications. Application windows will be communicated through various media platforms to ensure maximum take-up for those eligible businesses to apply.

5. Grant Allocations

- 5.1 Where there is evidence of a financial impact the ARG payment will be in-line with the grant payments made under the LRSB as follows:
- a) Businesses whose annual property costs (e.g. rent, mortgage, council tax) is exactly £15,000 or below will receive £1,334 per 28-day qualifying restriction period
 - b) Businesses whose annual property costs (e.g. rent, mortgage, council tax) is between £15,001 to £50,999 will receive a payment of £2,000 per 28-day qualifying restriction period
 - c) Businesses who annual property costs (e.g. rent, mortgage, council tax) is exactly £51,000 or above will receive a payment of £3,000 per 28-day qualifying restriction period
- 5.2 Successful grant payments will be made electronically to the businesses bank account provided at the time of application.
- 5.3 In addition the Council will ring-fence an amount of funding to support partnership

working with agencies such as Gloucestershire County Council or GFirst LEP to support the economic recovery from Covid-19; as well as funding those grant payments made to businesses under the Government Covid-19 Business Grants Schemes, where the value of grants awarded exceeds the funding provided.

6. State Aid

6.1 The United Kingdom left the EU on 31 January 2020, nonetheless under the Withdrawal Agreement the State aid rules continue to apply during a transition period, subject to regulation by the EU Commission. The council must be satisfied that all State aid requirements have been fully met and complied with when making grant payments. Where it is anticipated that the trading entity may exceed the De Minimis threshold, a state aid declaration will be required prior to the issue of any payment.

6.2 Payments made can be provided under the existing De Minimis rules, to any one organisation over a three fiscal year period, providing doing so does not exceed the €200,000 threshold. Payments made where the De Minimis threshold has been reached should be paid under the Covid-19 Temporary Framework for UK Authorities, providing that it does not exceed the €800,000 threshold.

7. Appeals

7.1 The Council will not be required to provide a right of appeal against any decision not to award an ARG. Businesses will not be eligible if they do not meet the criteria.

8. Fraud

8.1 The Council will not accept deliberate manipulation and fraud. Any business caught falsifying their records to gain an ARG may face prosecution. The Local Authority will seek recovery of any grant paid as a result of fraud or payments made in error.