

Additional Restrictions Grant Fund

Guidance for applications to Peterborough City Council Local Authority Discretionary Grants Fund

1. This guidance is intended to support businesses that are based in Peterborough in applying to Peterborough City Council for a grant payment from the Local Authority Additional Restrictions Grants fund, which was announced by Central Government on 31 October 2020.
2. This document sets out the criteria under which businesses will qualify to make an application to the Additional Restrictions Grants Fund and the evidence required to support any application. This is in accordance with intentions set out by Central Government in their guidance issued on 31 October 2020. <https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities>
3. Local Authorities can determine how much funding to provide to businesses and exactly which businesses to target. Local Authorities are encouraged to develop schemes to help those businesses which – while not legally forced to close – are nonetheless severely impacted by the restrictions put in place to control the spread of COVID-19
4. One way of using this funding is via Business Support Grants. If this is the case the same conditions of Grant apply as the Local Restrictions Support Grant (Closed)
5. However, Local Authorities can also choose to help businesses outside the business rates system and those larger business which are important to the local economy. This can be in addition to support being received via the LRSO Closed Scheme.
6. Local authorities will have the discretion to alter the amount of funding offered to individual businesses and the frequency of payment. These payments are to support Peterborough business continuing to trade through the COVID-19 period.
7. The scheme applies from the 14th October 2020 where a Local Authority was designated under a Local Covid Alert Level 3 restrictions, or otherwise from the date National Restrictions first applied, it is not retrospective. In Peterborough this applies from 5 November 2020 as a result of National Lockdown. It is a single overall Grant amount to be distributed across both the 2020/21 and 2021/22 financial years.
8. In setting the levels of payment, local authorities can take into account levels of fixed costs, number of employees, whether businesses are able to trade online and the consequent scale of coronavirus losses.
9. The Council anticipates that the demand for these discretionary grants will be greater than the amount of money we have received from Central Government. Whilst

recognising that many businesses in the local area will have suffered significant impact as a result of COVID-19, the purpose of this guidance is to set out the principles that will guide the Council in which businesses it will support and identify those which it must exclude due to financial limitations.

Eligibility criteria

10. The Council consulted locally and with its MP's on businesses to support for this new scheme in early November. Feedback received included support for the following types of business:

- a. Businesses with a RV above £51,000;
- b. Indoor soft-play centres and similar leisure businesses;
- c. Businesses without non domestic property costs, if they can demonstrate a significant loss of income as a result of the COVID Impact;
- d. The leisure and hospitality supply chain;
- e. Any business who can demonstrate a significant fall in turnover;
- f. Support for Day Nurseries;
- g. Support for the beauty, performing arts and crafts sector;
- h. Rent support for single owned businesses for a single month;
- i. Support for independents, freelancers and businesses in the "live events" sector.

11. Exclusions to the Additional Restrictions Grant include:

- a. Businesses that have already received grant payments that equal the maximum levels of State aid permitted;
- b. Businesses that are in administration, insolvent or where a striking-off notice has been made;
- c. Payments to offset existing or future business rates liabilities;
- d. Local authorities cannot use ARG to replace lost revenue on Car Parking (i.e. Fund itself);
- e. The business must have been trading the day before the restrictions came into force – here the 4th November 2020.

12. Appeals Process – There is no appeals process, it is up to the Local Authority to apply the guidance as it sees fit.

The Peterborough ARG Scheme

13. Given the input via consultation in November, the wide range of businesses that this scheme can apply to, and the fact that it is highly possible that the scheme will be significantly over subscribed the Council will allocate funding in the following ways:

- a. 90% of the funding will be made available for the period 5 November 2020 to 31 March 2021;
- b. 10% of the funding will be made available for the period beginning 1 April 2021. A separate application form will be available in April for this following a review of the policy.

- c. Other grant payments expected under Local Restrictions Open and Closed funding may also be taken into account when considering eligibility;
- d. **Applications will be dealt with on a strictly first come first paid basis. When the funding allocation has been used no further payments will be made, even if applications have been received.**

14. These grants will be aimed at ensuring we support the businesses of Peterborough in the best way possible. Other options to support local businesses were suggested and considered such as offering free car parking after 3pm or Weekends during December and January to increase footfall to the City Centre. This was discounted as significant parking in the Town Centre is Council operated. The council is barred reclaiming lost income if they instigate free parking.

15. Businesses must:

- Provide evidence they were not excluded as per paragraph 11;
- Demonstrate that they have suffered a significant loss in income due to the COVID-19 crisis.

16. Grants are available to businesses that were trading on 4 November 2020

17. Businesses who have applied for the Coronavirus Job Retention Scheme (furloughing) or who are eligible for the Self-Employed Income Support Scheme (SEISS) **are** eligible to apply for this scheme, however Additional Restrictions Grant funding **cannot** be claimed or used as a wage supplement.

Exclusions

18. The list below sets out the types of property and use which the Council does not consider to be eligible businesses for the purpose of this grant fund:

- Car Parks;
- Properties used for personal use (e.g. personal storage);

Amount of Payment

19. In order for this grant to benefit the maximum number of eligible businesses, it is proposed to have 3 levels of grant. The level of grant will align to the Local Restrictions Support Grant allocations and reflect the number of full payment cycles for the period from 5 November 2020 to 31 March 2021. The level of grant will be proportionate to the rateable value of the business property or, where a rateable value does not exist, the size of the business applying.

20. Sole traders, Self Employed applicants and those businesses operating from domestic properties will be treated as 'Micro' businesses and their grant level will be capped at the lesser of their fixed business costs OR the available grant for that threshold. Fixed costs for the period will be measured at 5/12 of those stated on their annual accounts.

21. Grants will not be paid if they are lower than £200.00

22.

For properties with a rateable value of £15,000 or under OR Micro Businesses with no rateable value	£6,670 grant
For properties with a rateable value between £15,001 - £50,999 OR Small Businesses with no rateable value	£10,000 grant
For properties with a rateable value of £51,000 or over OR Medium Business with no rateable value	£15,000 grant

To be a micro business, under the Companies Act 2006, a business must satisfy two or more of the following requirements:

Turnover: Not more than £632,000

Balance sheet total: Not more than £316,000

No. of employees: A headcount of staff of not more than 10

To be a small business, under the Companies Act 2006, a business must satisfy two or more of the following requirements in a year:

Turnover: Not more than £10.2 million

Balance sheet total: Not more than £5.1 million

No. of employees: A headcount of staff of less than 50

To be a medium business, under the Companies Act 2006, a business must satisfy two or more of the following requirements in a year:

Turnover: Not more than £36 million

Balance sheet total: Not more than 18 million

No. of employees: A headcount of staff of less than 250

23. The value of any anticipated grant support under Local Restrictions Open or Closed schemes will be considered as income to the business when considering their overall loss of income. Business who have not applied for the relevant mandatory grant schemes will be supported to do so as part of this application process.

24. Levels of grant available will be adjusted where the maximum grant level exceeds the loss of income incurred by the business. In these cases the grant level will be capped at 80% of the evidenced loss of income between years. In these cases the grant will be rounded up to the next £100.

25. Applicants will need to provide supporting evidence showing their loss of income. This will need to include trading figures from November 2019 to March 2020 (to evidence the

pre COVID position) to be measured against trading figures for November and December 2020 and forecasted income for the period from January 2021 – March 2021. Full evidence requirements are shown in Appendix 1.

26. Businesses or charities will only be eligible for one grant per financial year irrespective of the number of properties (hereditaments) they occupy. The total grant available in these circumstances will be based on the aggregate RV where this exists or company size where it does not.
27. Any business or charity who received a payment under v1 of Peterborough's Additional Restriction Grant Funding policy cannot apply for additional funding during 2020/21 under the amended measures. If the payment they would have received under the new scheme is more favourable, their grant level will automatically be topped up to the new levels.
28. Any amount underspent in the 5 November 2020 to 31 March 2021 period will be rolled forward into 1 April 2021.

Application Requirements

29. To be considered for an Additional Restrictions Grant payment, local businesses and charities will be required to make an online application to the Council, and to upload copies of all requested information and evidence in support of their application. Evidence requirements are set out in Appendix 1
30. The Council will carefully consider every application in line with the supporting information provided. There is no statutory appeal or tribunal process in respect of any decision made by the Council in respect of these discretionary payments.

Timeline for the grant scheme

31. Applications will be considered in phases.

2020/21 financial year

- Applications open – **04/12/2020**
- Applications will close on **31/03/2021 (or sooner if the funding allocation is utilised earlier)**

2021/22 financial year

The Additional Restrictions Grant scheme will be reviewed in time to be opened for applications in early April 2021. This will be dependent on available funding.

32. Applications will be assessed in the following priority order
 - Applications received up to 8 January 2021 under v1 of the Council's Additional Restrictions Grant policy
 - Revision of applications that did not qualify under v1 of the Council's Additional Restrictions Grant policy
 - New Applications

Additional Information

33. There is a requirement for all grants made under this scheme to be state aid compliant. Please see the further guidance on state aid on the link below. You will be required on your application to make the necessary state aid declarations.
<https://www.gov.uk/guidance/state-aid>
34. The Government and the Council will not accept any deliberate manipulation of records or fraudulent attempts to obtain grant funding. Any business falsifying their records will face prosecution and any funding issued will be subject to claw back, as may any grant paid in error. Applicants will be asked to complete a declaration as part of the application process.
35. Grant income received by a business is taxable therefore funding paid under the Local Authority Discretionary Grants Fund will be subject to tax.

Privacy Statement

Peterborough City Council is processing personal information for the purposes of providing the financial support under the Discretionary Grant Fund as announced by the government. This may include personal information which allows the council to assess eligibility and undertake post award assurance and prevent fraud. We may also use information from other council systems only to assist with the eligibility and funding process. We will share some information with the Department of Business, Energy & Industrial Strategy for monitoring and reporting. You can find out more about how the council handles personal data here

<https://www.peterborough.gov.uk/council/council-data/corporate-privacy-notice>.

Appendix 1 – Evidence Requirements

The following list is not exhaustive but is required evidence to assess your claim. Other evidence will be considered where it is relevant to the application.

Information	Evidence Requirement	Guide
Payment Details	Copy of bank statement showing name, address, sort code and account number	Must match the name of the applicant. This should show evidence of business related costs being paid to evidence trading. This will also be used as the bank account to release payment to
Fall in fixed business related costs due to COVID-19	Copy of last financial year's signed off trading accounts and balance sheet AND Proof of business income for November 2019 to March 2020, Proof of business income for November & December 2020. Forecasted income for January 2021 – March 2021 Corresponding Bank Statements	If not trading at November 2019 for comparable trading figures, other trading months information will be expected, including evidence of opening.