



WOKINGHAM BOROUGH COUNCIL

COVID-19 Business Support
Additional Restrictions Grant

Discretionary Grant Scheme
Phase 2

Version Control

Version	Date	Author	Comments
1	23.11.2020	Andrew Kupusarevic	draft
2	02.12.20	Andrew Kupusarevic	Approved by Special Executive
3	13.01.21	Andrew Kupusarevic	Policy updated via delegated powers – Phase 2
4	22.01.21	Andrew Kupusarevic	Policy updated to reflect additional funding being made available.

1.0 Background

1.1 On 31 October 2020, the Government announced the introduction of additional support for Local Authorities under National and Local Covid Alert Level 3 restrictions. There are two parts to the grants scheme package, the Local Restrictions Support Grant (Closed) Addendum and the Additional Restrictions Grant (ARG). Both grant schemes are fully funded by Central Government and the funds will be administered by Wokingham Borough Council in accordance with the guidance issued by the Department for Business, Energy and Industrial Strategy (BEIS). The guidance makes it clear that no further funding will be made available to local authorities for business support regardless of whether further lockdowns are imposed.

1.2 On 5 November 2020, when new national restrictions were imposed by Government, all Local Authorities triggered the start of the ARG. Under the ARG, Local Authorities are able to support local businesses through discretionary grant schemes as well as through other wider support measures. The focus of any support must be on businesses significantly impacted by any restrictions put in place to control the spread of Covid-19.

1.3 The ARG funding is to be used across Financial Years 2020/21 and 2021/22. Wokingham Borough Council was originally awarded £3.4m and has since been awarded a further £1.5m as an additional ARG top up.

1.4 The funding will be administered via a phased approach until March 2022 with an additional £1,100,000 being made available to fund Phase 2 of the Discretionary Grant Scheme - this is on top of the £400,000 funding that was available for Phase 1.

1.5 Discretionary Grant Scheme Phase 2 covers those businesses which have been severely impacted by the national lockdown restrictions put in place from 3 December 2020. Phase 2 will cover those businesses up until the 2 April 2021. Applications must be received within this period.

1.6 The grants will be administered in monthly cycles of £1,500 in line with the criteria below.

1.78 In order to continue to support those businesses further there will also be a one-off discretionary grant of £2,000.

1.9 If you would like further advice on this scheme and how it will be applied, please visit: <https://www.wokingham.gov.uk/business-and-licensing/business-and-growth/coronavirus-announcements/>

2.0 Which businesses will be eligible for the Discretionary Grant Scheme Phase 2?

2.1 Wokingham Borough Council will not be providing additional financial support to businesses that are already receiving grant funding via the 'Mandatory' Local Restrictions Support Grant schemes.

2.2 This policy is not designed to provide financial support to individuals IE: wage support. The Self-Employed Income Support Scheme and Coronavirus Job Retention Scheme are in place to provide those who are self-employed and employees with income support.

2.3 Those businesses that are in administration, insolvent or where a striking off notice has been made, are not eligible for funding under this scheme.

2.4 Only businesses which were trading on/up to 4 November 2020 are eligible for this scheme.

2.5 The Additional Restrictions Grant is there primarily to financially support those businesses forced to close or significantly impacted by the national restrictions announced on 31 October 2020 and thereafter.

The following eligibility criteria applies:

- i. Your business is not registered for business rates (commercial premises) and has been instructed to close by the restrictions announced on 31 October 2020 and thereafter.
- ii. Your business is registered for business rates (commercial premises), has not been instructed to close but is significantly impacted* by the restrictions announced on 31 October 2020 and thereafter.
- iii. Your business is not registered for business rates (commercial premises), has not been instructed to close but is significantly impacted* by the restrictions announced on 31 October 2020 and thereafter.

*Businesses that have chosen to close but not been required to will not be eligible for this grant, unless they can demonstrate significant impact on their trading through cancelled orders for products and services to closed businesses in the retail, hospitality, leisure or events sectors.

2.5 Only one grant will be paid to the business irrespective of the number of hereditaments they may have.

2.6 A business that has been instructed to close and has commercial property on the local valuations list would need to apply via the Local Restrictions Support Grant (Closed) scheme. <https://www.wokingham.gov.uk/business-and-licensing/business-and-growth/coronavirus-announcements/>

2.7 Market Traders who have been prevented from trading because of the national lockdown restrictions or can demonstrate significant loss of income as a result of these restrictions may be eligible. Market Traders eligible for a grant will be paid by the Local Authority where their home address is (i.e. Wokingham Borough Council will only pay grant to market traders' resident in the Borough). The location of the markets they attend will not be considered as part of this grant scheme unless exceptional circumstances apply and can be demonstrated.

3.0 Funding Levels

3.1 This will follow in line with the lower Local Restrictions Support Grant (Closed) Addendum band.

3.2 All payments made under phase 2 will receive a grant of £1,500 per monthly cycle subject to state aid limits.

3.3 In order to continue to support those businesses further there will also be a one-off discretionary grant of £2,000.

4.0 How do I apply?

4.1 There will be an online application form published on the Council's website - <https://www.wokingham.gov.uk/business-and-licensing/business-and-growth/coronavirus-announcements/>.

4.2 In deciding whether to make an ARG payment we will have regard to the Businesses circumstances. In order to do this each Business must supply (where possible) reasonable supporting evidence to support their request for the ARG payment. This will include, but is not limited to:

- Lease documents / Licencing agreement
- Summary of your monthly fixed outgoings
- Your business must evidence ongoing fixed building-related costs
- Number of staff
- Bank statements, for the last 3 months
- What support have you already received
- What steps have you taken to minimise your outgoings – agreed rent reductions etc
- Have you seen a reduction in your operating costs – if so please clarify

NB: Applicants will also be required to submit evidence to demonstrate actual loss of demand and income due to restrictions. As a minimum, a statement of circumstances will be required and ideally supported by additional documentation including details of contracts lost or cancelled booking diaries/work schedules or cancelled customer bookings.

4.3 Eligibility checks will also be carried out including an independent security and fraud check by an external company as required by Government.

4.4 If an application is received from a business that does not meet all the required criteria, they will be informed as soon as possible of this and the reason(s) they are not eligible.

4.5 The Council will not accept deliberate manipulation and fraud. Any business caught falsifying their records to gain additional grant money may face prosecution and any funding issued will be subject to claw back.

4.6 It is anticipated payments to successful businesses will be made as soon as is reasonably practical after a decision has been made.

4.7 No grants will be awarded without an application being made.

5.0 Decision Making and Appeals

5.1 Applications received will be reviewed by the NNDR Grants Team and a recommendation on award will be made by this team. The NNDR Grants Team will ensure that the decision outcome is notified by email as soon as is reasonably practical after the application review date.

5.2 There are no rights of appeal.

6.0 State Aid

6.1 State aid applies to these schemes, and all recipients are required to comply with the maximum permitted funding under the relevant State aid rules – EUR 200,000 over three years under the De Minimis Regulation, or EUR 800,000 under the COVID-19 Temporary Framework for UK Authorities (lower thresholds apply to agriculture, fisheries and aquaculture business). The De Minimis aid and the Temporary Framework can be combined to bring the aid per company to up to €1 million. Any business that has reached the limits of payments permissible under the De Minimis and the UK Covid-19 Temporary State Aid Framework will not be able to receive further grant funding.

6.2 Excluding small and micro undertakings (fewer than 50 employees and less than EUR 10 million of annual turnover and/or annual balance sheet), a business receiving grant paid under the Temporary Framework must also confirm that they were not an undertaking in difficulty on 31 December 2019. This exemption for small and micro undertakings does not apply if the undertaking is subject to collective insolvency proceedings under national law, has received rescue aid that has not been repaid, or is subject to a restructuring plan under State aid rules.

6.3 Grants provided under the Local Restrictions Support Grant scheme can be made under either the De Minimis Regulation (where the relevant conditions are met), or under the COVID-19 Temporary Framework for UK Authorities¹ where for example, the De Minimis threshold has been reached. Local Authorities must ensure all relevant State aid law requirements are complied with, including any relevant reporting requirements to the EU Commission under State aid rules.

6.4 Businesses will be required to confirm that they comply with the scheme conditions, for example that they did not fall within the definition of an undertaking in difficulty on 31 December 2019 (excluding small and micro businesses), and have not received more than the maximum permitted funding for State aid. Local Authorities will write to businesses to ask for confirmation of this.

7.0 Payments of a Discretionary Grant Payment

7.1 All payments will be made by Business Services via a bank transfer payment into the businesses account.

8.0 Overpayments

8.1 If the Council becomes aware that the information contained in an application for a Discretionary Grant was incorrect or that relevant information was not declared, either intentionally or otherwise, the Council will seek to recover the value of any Discretionary Grant paid made as a result of that application.

9.0 Fraud

9.1 The Council is committed to the fight against fraud in all its forms. Any Business who tries to fraudulently claim a Discretionary Grant might have committed an offence under the Fraud Act 2006.

9.2 If the Council suspects that fraud may have occurred, the matter will be investigated as appropriate and this could lead to criminal proceedings.

9.3 The government will not accept deliberate manipulation and fraud - and any business caught falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.

10.0 Publicity

10.1 In addition to details being contained on the Council's website, the scheme will be advertised via social media and support from the Business Growth Hub.

11.0 Monitoring

11.1 The Business Rates Team and The Senior Finance Specialist will monitor the amount and types of award made. This monitoring information will be available for management and members at any time, and any other relevant persons or organisations with whom data can be shared within appropriate legislation and guidance.

11.2 In addition, the Investigations Team carries out monitoring on the amount of awards made to each funding stream.

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