#### <u>Newcastle-under-Lyme Borough Council</u> <u>Additional Restrictions Grant Policy</u>

### 1. General explanation

- 1.1 Additional Restrictions Grant (ARG) is discretionary grant funding allocated to councils to support businesses that have been severely impacted by local or national COVID restrictions. This includes both businesses that remain open but have seen a significant fall in demand and businesses outside the rating system that have been forced to close.
- 1.2 Businesses with their own business rates assessment that have been forced to close are not eligible for ARG. Instead they will receive Local Restrictions Support Grant (Closed). However, ARG may be used to provide top-up funding to such businesses at the Council's discretion.
- 1.3 The Council also has discretion to use ARG to fund provide general business support and advice programmes. £0.5m of the Council's grant allocation will be set aside for this purpose.

### 2. Who is eligible for the relief?

- 2.1 In disbursing ARG the Council will give priority to the following types of businesses:
  - Businesses from all sectors that may have been severely impacted by local or national restrictions but are not eligible for the Restart Grant scheme (now closed).
  - Businesses from sectors that remain closed or severely impacted by the extended restrictions, even if those businesses have already been in receipt of Restart Grants. This may include the travel and tourism sector, wedding industries, nightclubs, theatres, events industries, wholesalers, English language schools, breweries, freelance and mobile businesses including caterers, events, hair, beauty and wedding related businesses
- 2.2 The list set out above is not intended to be exhaustive but is intended to provide general guidance as to the types of business that the Council will prioritise for the scheme. The Council will use its discretion to determine whether particular situations not listed should be eligible for grants from this discretionary fund.
- 2.3 Businesses that have previously received business support grants or applied for the Coronavirus Job Retention Scheme are eligible to apply for this scheme.
- 2.4 Only businesses that were trading on 21 June 2021 or can evidence the commencement of a business on or around 21 June 2021 are eligible for this scheme. Companies that are in administration, are insolvent, dormant or

where a striking-off notice has been made are not eligible for funding under this scheme.

2.5 The new domestic subsidy allowance for the COVID-19 business support grants took effect on 4 March 2021. Applications made prior to that date are subject to the previous rules.

This scheme is covered by 3 subsidy allowances:

- Small Amounts of Financial Assistance Allowance you're allowed up to £335,000 (subject to exchange rates) over any period of 3 years.
- COVID-19 Business Grant Allowance you're allowed up to  $\pounds1,600,000$ .
- COVID-19 Business Grant Special Allowance if you have reached your limits under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, you 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.

Grants under these 3 allowances can be combined for a potential total allowance of up to  $\pm 10,935,000$  (subject to exchange rates).

2.6 All grant income will be taxable.

## 3 How much relief will be available?

3.1 Grants will be paid in accordance with the following tiers:

#### a) Businesses on the rating list that remain open:

- Businesses with a rateable value of  $\pounds15,000$  or under  $\pounds1,000$
- Businesses with a rateable value of over £15,000 and less than £51,000 £1,500
- Businesses with a rateable value of £51,000 or over £2,000

#### b) Businesses not on the rating list that remain open:

- Micro businesses with annual turnover of up to  $\pounds50,000 \pounds1,000$
- SMEs with annual turnover of over  $\pounds$ 50,000 and less than  $\pounds$ 100,000  $\pounds$ 1,500
- SMEs with annual turnover of £100,000 or over £2,000
- 3.2 One grant payment will be made per business on a case by case basis until such time that the grant allocation has been utilised.

# 4 Application Process

4.1 To apply for this discretionary grant funding you must first meet the criteria set out in section 2. If you do not fit these criteria then your application will be rejected.

4.2 Applications can be <u>submitted online</u> until 18 March 2022.

# 5 Fraud

5.1 The Council 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.

# 6 Review

6.1 This policy was reviewed in June 2021 in light of continuing local and national restrictions and will be reviewed again in December 2021.