



# Epsom & Ewell Borough Council Additional Restrictions Grant Scheme

Version number 1  
December 2020

## Tracking

<b>Policy Title</b>	Additional Restrictions Grant Scheme		
<b>Committee</b>	Strategy and Resources	<b>Date approved</b>	22.12.2020
<b>Review due date</b>		<b>Review completed</b>	
<b>Service</b>			

## Revision History

Revision Date	Revisor	Previous Version	Description of Revision

## Document Approvals

Each revision requires the following approvals:

Sponsor Approval		Name	Date
Head of Digital & Service Transformation			

# Contents

Introduction	4
Qualifying businesses	6
Non-qualifying businesses	5
Amount of funding available	5
Application Process	7
Decision making Process	7
Appeals	8
Managing the risk of fraud	8
State Aid	8
Tax	9

## Introduction

1. On 31 October 2020, the Government announced the introduction of additional support for Local Authorities under national and Local Covid Alert Level (LCAL) 3 restrictions and later clarified that the Grant can be used to support businesses in Local Covid Alert Level (LCAL) 2 restrictions.
2. Businesses which do not qualify for the Local Restrictions Support Grant (Open), Local Restrictions Support Grant (Closed) or Local Restrictions Support Grant (Sector) could be eligible for discretionary financial support through the Additional Restrictions Grant (ARG).
3. The government funding made available for this scheme is to support local businesses through to 31 March 2022. The ARG is discretionary and individual Councils are allowed to design their schemes, provided they are within the overall guidelines set by Central Government.  
<https://www.gov.uk/guidance/check-if-youre-eligible-for-the-coronavirus-additional-restrictions-grant>

## Qualifying businesses

4. Only businesses that were trading on the 4 November 2020, being the day before the National restrictions came into force in Epsom, are eligible for this scheme.
5. The business must have suffered a significant financial loss either directly or indirectly as a result of the additional restrictions in place for LCAL above LCAL1, National Lockdown restrictions. This could be by being directly affected or indirectly as a consequence of being in the direct supply chain of a business impacted by LCAL 2 & 3 or National Lockdown restrictions.

As part of the application process we will require evidence of a significant fall in revenues as a result of the increased restrictions during National Lockdown and the move to LCAL2 and LCAL3. Further post payment assurance of the decrease in revenues may be required.

6. A business must have a premises within Epsom & Ewell to qualify for this grant.
7. Businesses in the supply chain to the Retail, Leisure and Hospitality industry.
8. Cafes, shops, restaurants and other food and beverage outlets within shared premises who did not have their own rating assessment in order to qualify for the Local Restriction Support Grants Schemes (Open, Closed & Closed Addendum) .

9. Businesses that provide cultural, arts and tourism services that did not qualify for the Local Restriction Support Grants Schemes (Open, Closed & Closed Addendum).

## Non-qualifying businesses

10. Any business qualifying for a Local Restriction Support Grants Scheme (Open, Closed Closed Addendum or Sector) .

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

12. Businesses operating under Airbnb.

13. Businesses operating from a domestic property (unless as a registered as a Bed & Breakfast).

14. Businesses whose only premises are listed below

- Car Parking spaces.
- Land use for storage or leisure.
- Properties used for storage purposes only
- Advertising rights.
- ATM's.
- Blue tooth boxes
- Telephone communication masts
- Show homes

15. Businesses who do not have a commercial premises within Epsom & Ewell Borough boundaries.

16. Businesses who have already reached the maximum State Aid limits.

17. Landlords of properties where they are not occupying them directly themselves for trading business purposes will not qualify.

18. Businesses operating as Financial Services (e.g. banks, building societies). Medical Services (e.g. vets, dentist), Professional Services (e.g. solicitor, letting agents, estate agents, accountants) and Post Office sorting offices are not eligible under this scheme.

19. Property occupied for personal uses. Examples of where there may be personal use include private stables, or rented commercial space.

## Amount of funding available

20. The ARG scheme is aimed at businesses, ratepayers and non-ratepayers where their business has been severely impacted by the National Lockdown from the 5 November 2020 to the 2 December 2020 and continued inclusion in one of the LCAL tiers, above LCAL1 since the 2 December 2020.
21. The Government have provided funding to Councils based on population of the Council. There is no indication from government that any additional funding will be made available, and the Council will need to ensure that it stays within the funding available.
22. The funding can be used any time up to and including the 31 March 2022, whilst restrictions above LCAL 1 apply in the Epsom & Ewell area.
23. The Council's view is to maximise the grants to business at the current time while retaining some funding should more specific restrictions come into place after the November 2020 National lockdown. This recognises that businesses require as much funding as possible at the current time to ensure the business continues as a going concern.
24. The following grant payments will be made for the period of National Lockdown between 05 November 2020 and 02 December 2020:
- For properties with a rateable value of £15,000 or under, grant of £1,334
  - For properties with a rateable value of between £15,001 and £50,999, grant of £2000
  - For properties with a rateable value of £51,000 or over, grant of £3,000
25. The following grant payments will be made for the period Epsom & Ewell is in LCAL2 & LCAL 3, from 02 December 2020 onwards:
- For properties with a rateable value of £15,000 or under, grants to be £467 per two weeks (14 days)
  - For properties with a rateable value of between £15,001 and £50,999 grants to be £700 per two weeks (14 days)
  - For properties with a rateable value of £51,000 or over grants to be £1,050 per two weeks (14 days)
26. Where the business is not a ratepayer and does not have a rateable value, the grant award will be based on the businesses annual fixed costs. For the purposes of this scheme we define fixed cost as
- Commercial Rent
  - 50% of the Council tax charged for Bed and Breakfast premises only.
  - Utilities for the property they are paying commercial rent for.

- Insurances relating to the property that their business operates from or the operation of their business.
- Software Licences
- Professional membership fees
- Broadband and Telecommunication costs
- No other business costs will be considered as part of the applications.

27. Grant awards for non-ratepayers will be calculated as above (i.e. under £15,000, £15,001 to £50,999 and over £51,000) for ratepayers but with fixed costs substituted for the rateable value.

## Application process

28. The application for the Business grant is available on our website at [www.epsom-ewell.gov.uk/businessgrants2020-21](http://www.epsom-ewell.gov.uk/businessgrants2020-21). We are only able to accept applications in this format.

29. On receipt of your application you may be requested to provide additional evidence to support the information you have given in your application.

30. This application process will allow Epsom & Ewell Borough Council to undertake pre-payment checks to confirm eligibility.

31. Epsom & Ewell Borough Council will use their discretion in identifying the right person to receive this funding, based on their application process.

## Decision making process

32. Applications will be determined by the Revenues Manager under the delegated authority of Epsom & Ewell Borough Councils's Section 151 Officer.

33. Payments will be made as soon as practicable after the receipt of a complete application. Applications which have not been fully completed will be deemed invalid.

34. All applicants will be e-mailed to confirm if their application has been successful or not. If you are due an award you will also be informed when you can expect the grant to be available in your nominated account.

35. All payments of grant will be made by a BACS transfer to the company or business nominated bank account which must be quoted on your application form.

## Appeals

36. There is no statutory right of appeal against a decision regarding discretionary business grants.
37. However, the Council recognises that ratepayers should be entitled to have a discretionary decision reviewed if dissatisfied with the outcome. Only the ratepayer or authorised agent may appeal against the decision not to award relief or the level of relief awarded. Appeals must be made within two weeks of the notification of decision.
38. Appeals must be in writing specifying reasons why a decision should be amended and supported by relevant new or additional evidence.
39. An appeal will be deemed to be discontinued if further evidence requested from the ratepayer has not been received within two weeks of the request.

## Managing the risk of fraud

40. In making an application businesses confirm that they are eligible for the grant scheme, including that any payments accepted will be in compliance with State Aid requirements.
41. Epsom & Ewell Borough 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.
42. The Council will use all available tools to identify potential fraud before and after payment, by submitting an application you are consenting for the Council to share the data on the application form for the purposes of validating the claim with any appropriate organisations, including the Department for Business, Energy & Industrial Strategy who may contact you for research and evaluation purposes. If you do not consent to the sharing of the information the claim will be deemed invalid.
43. Epsom & Ewell Borough Council will also investigate if any business applying shall be liable for Business Rates, if not already liable, if applicable. Conditionality of funding will be dependent on the business applying being committed to this.

## State Aid

44. Grants under this scheme are considered State Aid. Under EU De-minimis regulations you (or your company) cannot receive more than €200,000 (approximately £180,000) state aid in any three-year period (i.e. your current fiscal year and previous two fiscal years). However, following the outbreak of the Coronavirus, the European Commission has approved schemes to aid businesses affected by the Coronavirus outbreak on the



basis of their Temporary Framework, including the COVID-19 Temporary Framework scheme for the UK. This framework allows for an additional €800 000 (approximately £720,000) state aid to be granted to undertakings that were not in difficulty (within the meaning of Article 2(18) of the General Block Exemption Regulation<sup>3</sup>) on 31 December 2019. If you have received other state aid that exceeds these limits, you will not be able to claim a grant under this scheme.

45. If the applicant or the Council become aware that the state aid limit has been exceeded it will be the applicant's responsibility to return the payment to the Council within 14 days of discovering the limit has been exceeded.

46. Further information on State Aid can be found at: <https://www.gov.uk/guidance/state-aid>

## Tax

47. Grant income received by a business is taxable. The Local Restrictions Support Grant will need to be included as income in the tax return of the business.

48. Only businesses which make an overall profit once grant income is included will be subject to tax.