

## **Guidance for applications to Kettering Borough Council Local Authority Additional Restrictions Grant (Discretionary)**

### **Introduction**

1. This guidance is intended to support businesses which are based in the geographical area of the Borough of Kettering, applying to Kettering Borough Council for a grant from the Additional Restrictions Grant (Discretionary) Fund.
  2. On 4th January 2021 the Government announced new national restrictions which came into force on 5<sup>th</sup> January 2021 to help manage the response to the global COVID-19 pandemic. At this time, they confirmed funding support which is to be directed to [business that are required to close](#). The Government recognised that some businesses that were required to close may not have commercial premises, and others whilst not mandated to close would be significantly impacted as they support, supply or manufacture these businesses.
  3. Local authorities have been provided with a funding allocation and are to administer the following grants to their local economy;
    - Local Restrictions Support Grant (LRSB). The scheme is only available to those who pay business rates, including businesses who receive Small Business Rate Relief, and whom have been mandated to close by the Government. Businesses can apply and find more information by visiting <https://www.kettering.gov.uk/lrsb>
    - Additional Restrictions Grant (ARG). This scheme will be available to prioritised business without a rateable value who have been mandated to close or suppliers to those that have been mandated to close (with or without an RV). Aligned to LRSB grants this grant is available for the initial 6 week qualifying period with the opportunity for a one-off top up for businesses with fixed business property costs. Businesses can apply and find more information by visiting <https://www.kettering.gov.uk/arg>
    - Local Hardship Fund – This will be a top up fund for local independent businesses with high fixed costs and significant income loss as a result of the pandemic. Businesses who may be eligible and have received LRSB or ARG grants will be contacted directly about this opportunity at a later date. An application will also be available for business who consider they may be eligible but have not previously received grant funding or been contacted by the Council.
  4. The Additional Restrictions Grant will focus on delivering a grant funding scheme to be administered within 2020/21, however funding allowing, a programme of further grants and business support delivered across financial years 2020/21 and 2021/22 will be considered and developed in due course.
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This guidance sets out the criteria under which businesses will qualify to make an application to the Additional Restrictions Grant (Discretionary) fund, and the evidence required to support an application, and is aligned with the Government guidance issued to Local Authorities in 13<sup>th</sup> January 2021.

5. Businesses eligible for the Local Restrictions Grant (Closed) and LRSG (National Lockdown) are not eligible to apply for the Additional Restrictions Grant (Discretionary), however may be eligible to apply for future related phases under the Additional Restrictions Grant scheme, including the Local Business Hardship Fund. This is to ensure a consistent approach is taken across the sectors most impacted by the national lockdown in force from 5<sup>th</sup> January 2021
6. In determining the appropriate level of grant, the local authority have aligned it closely with the grant awards being made under the Local Restriction Support Grant (Closed) and LRSG (National Lockdown) , this will be determined by the associated business premises rateable value, or where a rateable value doesn't exist, the size of the business as categorised by;
  - **Micro Business;** you must meet at least two of the following conditions:
    - a turnover of £632,000 or less
    - £316,000 or less on its balance sheet
    - 10 employees or less
  - **Small Business;** you must meet at least two of the following conditions:
    - a turnover of £10.2 million or less
    - £5.1 million or less on its balance sheet
    - 50 employees or less
  - **Medium Business;** you must meet at least two of the following conditions:
    - annual turnover must be no more than £36 million
    - the balance sheet total must be no more than £18 million
    - the average number of employees must be no more than 250.

If the applicant does not disclose the associated business rate number (where applicable), or incorrectly categorises their business, this could lead to a delay in processing your application or being refused a grant.

7. Businesses who have previously received grant funding are not required to complete an application form. They will instead receive a declaration to complete to confirm their eligibility and acceptance. Businesses who are applying for a grant for the first time will need to complete the online application form and provide evidence to support their application, please see appendix A for more information.
  8. This grant will be subject to new subsidy allowances established for the Covid 19 business grant schemes on the basis of the Trade and Cooperation Agreement (TCA) following the end of the EU transition period. Businesses will be required to complete a compliance declaration for these subsidy allowances as part of the process. More information on the subsidy allowance can be found on [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/966854/20210304\\_Additional\\_Restrictions\\_Grant\\_-\\_LA\\_guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/966854/20210304_Additional_Restrictions_Grant_-_LA_guidance.pdf)
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## Eligibility

9. The Government guidance issued in regard to the Additional Restrictions Grant which gives the Council discretion over the grant scheme, and the Council's decisions regarding the scheme will be final.
10. These grants are aimed at micro, small and medium sized businesses that;
  - Have been forced to close under the government's mandatory closure guidance of [businesses that were required to close](#) **but do not have** a commercial property with a Rateable Value (and therefore not eligible for LRSG Closed or LRSG (National Lockdown)  
**OR**
  - While not legally forced to close are nonetheless severely impacted by the restrictions, with or without a commercial property (for example businesses which predominately supply, service or manufacture those mandated to close). In the event the business does have a commercial property with a rateable value, the businesses who, according to the billing authority's records, was the ratepayer in respect of the hereditament on 4<sup>th</sup> January 2021 is eligible to apply
11. The government has asked local authorities to exercise their local knowledge and discretion according to local economic need, where all other qualifying factors are met (as above) priority will then be given to businesses that fall within the following categories, and those that the majority of their activity is to supply and manufacture goods for the following:
  - Accommodation
  - Charities
  - Creative & Cultural
  - Hospitality, Leisure and Retail
  - Non-essential Market Trader
12. The business must have been open and trading on 4th November 2020.
13. Companies that are in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.
14. Grants will not be paid in respect of properties that were empty or unoccupied on 4<sup>th</sup> November 2020, even if business rates were charged.

## The Council's approach

15. In order to ensure all eligible businesses can apply for the scheme, the Council will administer a phased approach to the grant scheme. This will enable the Council to assess and quantify the level of demand for funding from businesses that fall within the priority areas and meet the eligibility criteria.
  16. The Council reserves the right to vary the terms of the scheme at any time, and without notice, should it be necessary to do so.
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17. The Council has created an online form for applications from business who have not previously received funding. This is the only mechanism through which the Council will accept new applications. For businesses who do not have access to the internet, the Council will be able to assist you in completing the form by taking your information over the phone and putting it onto the online application form. You will need to provide documentary evidence to support your application, so please ensure you have collated relevant documentation prior to seeking support from the Council

## Grant Amounts and how payments will be made

18. The Council anticipates that the demand for the Addition Restrictions Grant (Discretionary) will be high, and as such it is important that we clearly set out the principles that will guide the council in determining which business it is able to help and which it will not.

19. The goal is to try to support as many businesses as possible, with the money received from government while keeping the individual grant amounts high enough that will still provide meaningful support to those businesses.

20. In order for this grant to benefit the maximum number of eligible businesses, it is proposed to have 3 levels of grant payable from 5<sup>th</sup> January 2021 per 6-week qualifying restriction period. These align to the Local Restrictions Support Grant (Closed) allocations, and which will be directly proportionate to the rateable value of the business property or, where a rateable value doesn't exist, the size of the business applying (see section 8):

For properties with a rateable value of £15,000 or under <b>OR</b> Micro Business with no rateable value	£2,001 grant
For properties with a rateable value of over £15,000 and below £51,000 <b>OR</b> Small Business with no rateable value	£3,000 grant
For properties with a rateable value of £51,000 or over <b>OR</b> Medium Business with no rateable value	£4,500 grant

We recognise the additional impact of the pandemic for businesses which have had ongoing fixed business property costs. This discretionary scheme will align with the LRSG (Closed) and LRSG (National Lockdown) by awarding an additional one-off top up for businesses who can evidence ongoing fixed business property costs paid during the lockdown. The top up payments amounts are as follows:

For properties with a rateable value of £15,000 or under <b>OR</b> Micro Business with no rateable value	£4,000 top up grant
For properties with a rateable value of over £15,000 and below £51,000 <b>OR</b> Small Business with no rateable value	£6,000 top up grant
For properties with a rateable value of £51,000 or over <b>OR</b> Medium Business with no rateable value	£9,000 top up grant

21. Applications for the grant can be made online at [www.kettering.gov.uk/arg](http://www.kettering.gov.uk/arg) and payments will be made directly to approved recipients' bank account by electronic transfer, this will be subject to verification of bank details.

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## Timeline for the grant scheme

22. The timeline for the scheme is:

- Eligible businesses with previous grants contacted with declaration – **week commencing 18<sup>th</sup> January 2021**
- Application form launched online – **Week commencing 25<sup>th</sup> January 2021**
- Application window closed – **Midnight 16<sup>th</sup> February 2021**

## Evidence Required to support the Application

23. For applications from businesses who have previously received funding, we will require a declaration of the conditions of the grant and state aid statement which will be sent to the business for completion. For applications from business who have not previously received grant funding, in order for the application to be considered, we require them to demonstrate that they meet the eligibility criteria as outlined in this guidance. We anticipate that to do this, you will need to provide (**See Appendix 1**):

- Declaration of business meeting the guidance as set out by the Government and Kettering Borough Council
- Declaration of the significant adverse impact to business operations caused by the national lockdown which came into force on 5<sup>th</sup> January 2021
- Evidence of the business trading on or before 4<sup>th</sup> November 2020
- Proof of business activity and ownership/authority
- Evidence of ongoing fixed property costs payable from 5<sup>th</sup> January 2021. Please see Appendix 1 for evidence required.

Applicants must provide the above information within 3 working days of their application. In order to assess applications appropriately the council may request further evidence in regard to business fixed costs and income loss.

## Other information

24. There is a requirement for all grants made under this scheme to be state aid compliant, please see further guidance by visiting <https://www.gov.uk/guidance/check-if-youre-eligible-for-the-coronavirus-additional-restrictions-grant>

25. Grant income received by a business is taxable therefore funding paid under the Additional Restrictions Grant Fund will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.

26. The Government and 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

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paid in error. Applicants will be asked to complete a declaration as part of the application process.

27. The Council does not accept any liability for any issues that may arise for businesses because of applying for, receiving, or not receiving grant payments under this scheme.

28. Enquiries about the scheme can be emailed to [kbcdgf@kettering.gov.uk](mailto:kbcdgf@kettering.gov.uk).

## Privacy Statement

29. The Council privacy statement relating to this scheme '*Business Support Measures*' can be found on the Council's website at <https://www.kettering.gov.uk/privacy>.

## Appendix 1 - Guidance for Evidence

The following list is not exhaustive. Other evidence will be considered where it is relevant to the application.

Information	Evidence Required	Guide
Payment Details and active trading on or before 4 <sup>th</sup> November 2020	Copy of <b>latest business bank statement</b> showing, name address, sort code, account number and activity of trade	Must match the name of the business or individual listed on the business rates bill or any other business related information.
Business Name and Categorisation	<b>Business Rate number</b> (where applicable), <b>confirmation of being micro, small or medium business</b> and <b>tax return information</b>	Must demonstrate correct categorisation and meeting criteria of eligible business sector. The council will verify all applicant evidence using information including; business name and registration, VAT number, Self-Assessment UTR
Significant adverse impact due to national lockdown which came into force on 5 <sup>th</sup> January 2021	<b>Declaration</b> and further information on request	This primarily relates to businesses who are not mandated to close but adversely impacted and/or Sole Traders
Evidence of ongoing fixed business property related costs	Copy of bank statement showing latest payment of costs	Must be able to demonstrate that the businesses are paying ongoing fixed business property costs during national restrictions effective from 5 <sup>th</sup> January 2021. This could be a bank statement demonstrating payment of these costs during the lockdown imposed in November 2020