

## **Guidance for applications to Kettering Borough Council Local Restrictions Support Grant (Tiers 2, 3 and 4 Open)**

### **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 Local Restrictions Support Grant (Tier 2,3 and 4 Open).
  2. This Local Restrictions Support Grant (Tier 2 Open) guidance and grant term is applicable from 00:01 on 2 December 2020 when the revised Tiers were introduced.
  3. This grant support is specifically aimed towards **businesses that are open** but severely financially impacted by Tiers 2,3 and 4 restrictions.
  4. On 22 October 2020 the Government announced additional funding to support businesses under Tier restrictions. This is support for businesses that are not legally required to close but which are severely impacted by the localised restrictions put in place to manage coronavirus and save lives. See announcement: <https://www.gov.uk/government/news/plan-for-jobs-chancellor-increasesfinancial-support-for-businesses-and-workers>
  5. This support will take the form of grant funding scheme in financial year 2020/21.
  6. Local authorities have been provided with funding allocations and are to administer certain grants to their local economy. A summary of these grants can be found on [https://www.kettering.gov.uk/info/210161/emergency\\_planning/12410/coronavirus\\_-\\_supporting\\_business/2](https://www.kettering.gov.uk/info/210161/emergency_planning/12410/coronavirus_-_supporting_business/2)
  7. Guidance and funding allocations differ for each scheme, therefore Local Authorities are responding and adapting the grant process to ensure the local economy is supported effectively and efficiently. Where possible Kettering Borough Council will utilise existing information held on file and will not expect businesses to reapply, however where time lapses in-between grant schemes or operational changes have occurred within a business, further information and the completion of a new application form may be required.
  8. This guidance sets out the criteria under which businesses will qualify for a grant under the Local Restrictions Support Grant (Open) fund, and the evidence required to support an application, and is aligned with the Government guidance issued to Local Authorities in December 2020. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/942853/local-restrictions-support-grant-OPEN-dec2-2020-onwards-la-guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/942853/local-restrictions-support-grant-OPEN-dec2-2020-onwards-la-guidance.pdf)
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9. This is an additional fund to the Local Restrictions Grant (Closed) and Additional Restrictions Grant, and is to be issued on a 14 day rolling grant payment process while up to the point in which the national lockdown came into force on 5<sup>th</sup> January 2021
10. Businesses eligible for the previous Local Restrictions Grant (Closed) and Additional Restrictions Grant are eligible to apply for this scheme 'Local Restrictions Support Grant (Tier 2, 3 and 4 Open)'. Where a business has been successful with LRSG (Closed) or ARG (Discretionary) and the Council believes the business may be eligible for LRSG (Tier 2,3 and 4 Open) the Council will contact the business and request additional information prior to processing payment.
11. The Government have asked that the LRSG (Open) is aimed at open businesses **with ongoing fixed property related costs** within the hospitality, leisure and accommodation sectors which includes;
  - Pubs, bars, wine bars
  - Cafes and restaurants
  - Hotels and B&Bs
  - Cinemas, entertainment venues & tourist attractions

The government have asked the Council to use their discretion in terms of targeting grants dependent on local need, therefore using the data gathered thus far from the previously administered schemes, the Council will also be directing grants to the additional following sectors and where a business demonstrates ongoing fixed property costs;

- Suppliers of these prioritised sectors

The rationale for this is that these businesses whilst not closed are supporting or supplying those identified as impacted and therefore are likely to see a continued impact on income.

12. In determining the appropriate level of grant, the local authority have aligned it with the government guidance, and for consistency have taken the same approach as with the Additional Restrictions Grant (Discretionary). Grant awards are determined by the associated business premises rateable value (See section 27), 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.
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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.

13. Applicants will be expected to provide evidence to support their application, please see section 31 for more information.
14. The grant will be subject to state aid limits and businesses will be required to complete a state aid declaration as part of the application process.

## **Eligibility**

15. The Government guidance issued in December 2020 gives the Council discretion over the grant scheme, and the Councils decisions regarding the scheme will be final.
16. These grants are aimed at micro, small and medium sized businesses that are allowed to remain open under government guidelines that;
  - Have ongoing fixed property related costs
  - Are severely financial impacted due to Tier restrictions
17. 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 (detailed in section 11):
  - Hospitality
  - Accommodation
  - Leisure
  - Suppliers of Hospitality, accommodation or Leisure sectors
18. The business must have been trading on 1<sup>st</sup> December 2020 (where businesses were mandated to close due to national restrictions the business will be eligible to apply).
19. Companies that are in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.
20. Grants will not be paid in respect of properties that were empty or unoccupied on 1<sup>st</sup> December 2020, even if business rates were charged.

## **The Council's approach**

21. In order to ensure all eligible businesses can apply as swiftly as possible for the scheme, the Council will contact all those who have applied and were successful with either LRS (Closed) or ARG (Discretionary) who fall within the categories set out in section 11. Then an application form will be launched for all other businesses who
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believe they are eligible and have not previously applied for LRSG (Closed) or ARG (Discretionary) in early January.

22. Applications are being assessed, verified and paid on a rolling 14 day basis with the 1<sup>st</sup> business payment back dated to 2<sup>nd</sup> December 2020. However, where applicable payments will be reflective of the local or national restrictions in place.
23. 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.
24. The Council has created an online form for applications.  
**PLEASE NOTE:** Businesses who have applied previously for LRSG (Closed) or ARG (Discretionary) **do not** need to complete an application form and should receive an email from the Council with further information. If the business in question has not received an email and you believe it is eligible for LRSG (Open) please contact the grants team prior to making a new application.
25. The online application form 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

26. The Council anticipates that the demand for the Local Restrictions Support Grant (Open) 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.
27. This scheme will have three levels of grant, which align to the Local Restrictions Support Grant guidance released by Central Government, 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 12). These grants are representative of a 14 day period which will be paid on a reoccurring basis (see section 22) and where applicable back dated to 2<sup>nd</sup> December when this scheme became applicable:

For properties with a rateable value of £15,000 or under <b>OR</b> Micro Business with no rateable value	£467 grant
For properties with a rateable value of over £15,000 and below £51,000 <b>OR</b> Small Business with no rateable value	£700 grant
For properties with a rateable value of £51,000 or over <b>OR</b> Medium Business with no rateable value	£1,050 grant

For businesses mandated to close under Tiers 3 or 4 restrictions, this payment will be pro-rated up to the point of closure. Details of business support for closed businesses are available on [www.kettering.gov.uk/coronavirus](http://www.kettering.gov.uk/coronavirus).

28. Applications for the grant can be made online at [www.kettering.gov.uk/opentier2](http://www.kettering.gov.uk/opentier2)
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and payments will be made directly to approved recipients' bank account by electronic transfer, this will be subject to verification of bank details.

29. Businesses will need to notify Kettering Borough Council by email [kbcdgf@kettering.gov.uk](mailto:kbcdgf@kettering.gov.uk) if they no longer meet the eligibility criteria for Local Restrictions Support Grant (Open) at any point in each of the 14-day grant cycle period. Failure to do so may mean the business in question will face prosecution.

## Timeline for the grant scheme

30. The timeline for the scheme is:

- Council contacts eligible applicants from LRSG (Closed) and ARG (Discretionary) – **Wednesday 23<sup>rd</sup> December 2020**
- Application assessment begins – **Monday 4<sup>th</sup> January 2021**
- Online Application window open – **13<sup>th</sup> – 31<sup>st</sup> January 2021**
- First payments (back dated to 2<sup>nd</sup> December 2020) – **Thursday 7<sup>th</sup> January 2021**

***Please note**, due to Council Office closure application assessment and payment processing will commence from 4<sup>th</sup> January. We aim to process payments as swiftly as possible, all eligible payments will be back dated to 2<sup>nd</sup> December 2020. ,*

## Evidence Required to support the Application

31. In order for the application to be considered, we require businesses 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 Tier restrictions from 2<sup>nd</sup> December
  - Evidence of the business trading on 1<sup>st</sup> December 2020 (*where national restrictions prevented trading businesses will remain eligible*)
  - Proof of business activity and ownership/authority
  - Evidence of ongoing fixed property related costs
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Applicants must provide the above information within 3 working days of their application (or as per the terms set out within email communication from the council). In order to assess applications appropriately the council may request further evidence in regard to business fixed costs and income loss.

32. If you applied for the previous LRSG (Closed) or ARG (Discretionary) Fund which was launched following the national restrictions imposed from 4 November, the Council may hold information and evidence which supports your application, to avoid duplicating information you will be required to confirm your details held on file are still correct. This will support the assessment and verification process of your application.

## Other information

33. 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>

34. 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.

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

36. 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.

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

## Privacy Statement

38. 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	Copy of <b>latest business bank statement</b> showing, name address, sort	Must match the name of the business or individual listed on

before 1 <sup>st</sup> December 2020	code, account number and activity of trade	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, UTR, Companies House ref, tax return information</b> and associated <b>website address</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
Ongoing fixed property related costs	Copy of active <b>lease / rent agreement for business associated property</b>	Must demonstrate ongoing fixed costs relating specifically to business activity.
Significant adverse impact due to Tier restrictions (from 2 Dec 2020)	<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