

Additional Restrictions Grant (Discretionary)

Discretionary Grant Policy from 21 June 2021 to 18th July 2021

Ashford Borough Council - Policy Draft

On Monday 14 June, the Government announced an extension to the Coronavirus restrictions in place as part of Step 3 of the Roadmap until 19 July 2021. This means ongoing restrictions for parts of the economy for a further 28-day period between 21 June 2021 and 18 July 2021 (incl.). The Government has not provided additional grant funding for this period and requires Local Authorities to provide support to impacted businesses (regardless of previous grant schemes) from their remaining discretionary Additional Restrictions Grant (ARG) funding.

Local Authorities have been able to access two allocations of ARG funding from Government since the November lockdown with a third allocation of funding available to councils that spend 100% of their initial two allocations by 31 July 2021. Since November 2020 Ashford Borough Council has taken a pro-active approach to supporting local businesses with the ARG grants and therefore received its third allocation in May 2021. The ARG funding has allowed the council to support 400 businesses and thus safeguard approximately 700 jobs between November 2020 and June 2021, on top of over 1,000 businesses supported through the LRSB and Restart schemes.

The third and final allocation allowed Ashford Borough Council to provide grants to businesses for the period from 1 April to 21 June 2021. With no further Government funding, Ashford has 10% of its overall ARG budget available and as such will provide targeted support to those businesses likely to be most affected by the extension of the restrictions.

This policy relates specifically to ARG grants for businesses affected by the extension of restrictions to and including 18 July 2021. Further work will need to be done to consider a response to business support and other support beyond the grants to support businesses beyond summer 2021.

This grants scheme is fully funded by Central Government and the funds will be administered by Ashford Borough Council in accordance with the guidance issued by the Department for Business, Energy and Industrial Strategy (BEIS)

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/994386/additional-restrictions-grant-la-guidance.pdf

Restrictions Extension to 18 July Context

The Government announced an extension to the restrictions in place under Step 3 of its Roadmap. To summarise, the changes that are in force from 21 June 2021 include that:

- > Nightclubs remain closed by law
- > Social distancing remains in place
- > Theatre and Cinema audiences are limited to 50% capacity
- > Pubs and restaurants can provide table service only
- > Up to six people or two households can meet indoors
- > More than 30 guests can attend weddings or funerals but must be seated at a table of six during the reception or wake

- > Bigger crowds are only allowed at some pilot events for sport and entertainment

In designing this policy, Ashford Borough Council has considered the impacts to businesses in all affected sectors along with their ability to remain open, trade and the wider impacts to the supply chains for those sectors, and what support these sectors have already received through ARG and Restart grants for the period between April and June 2021.

ARG Eligibility Criteria

1. This funding is available to businesses regardless of whether they have previously received Local Restrictions Support Grant (LRS), Restart Grant or Additional Restrictions Grant (ARG). Businesses will be considered based on their fixed costs* and the impacts on their operations.
2. This funding is only eligible for businesses that have previously been successful in being awarded an ARG or Restart Grant from Ashford Borough Council. A new open application process will not be able to take place due to the financial limitations of the scheme and the large number of successful existing applicants.
3. Businesses in the defined sectors that are affected by the extension of the current Coronavirus Restrictions from 21 June to 18 July 2021. This grant will not be administered for periods of impact before these dates.
4. The business must be trading in the Ashford Borough Council area.
5. The business must have been trading** on and before the 1 April 2021.
6. Businesses that will be eligible for this grant funding are:

Sector	Definition	Supply Chain
Events and Entertainment	This includes nightclubs, professional event venues, theatres and cinemas.	Supply chain businesses directly linked to these venue types will be considered dependant on fixed costs*, and the impact of the current restrictions on their ability to operate their services.
Wedding and Conferencing Venues	These are venues with a separate room, building or structure dedicated for the purposes of hosting wedding receptions, funeral wakes, other major life events or business meetings and conferences.	Supply chain businesses directly linked to these venue types will be considered dependant on fixed costs*, and the impact of the current restrictions on their ability to operate their services.
Domestic and International Travel and Tourism	This includes travel agents, tour operators and group travel businesses as well as businesses that conduct indoor guided tours and heritage railways. The business should organise and/or conduct most of its travel and	Supply chain businesses directly linked to the domestic or international travel industry will be considered dependant on fixed costs*, and the impact of the current restrictions on their ability to operate their services.

	tourism activities abroad or for larger groups over 30 people and thus not be able to operate normally during the current restrictions.	
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7. Businesses must not have exceeded the thresholds within the Subsidy Control / Subsidy Allowances (formerly known as State Aid). ***

* 'Fixed Costs' are any costs relating to the operation of the business that cannot be cancelled during this period. These could include property costs such as rent commercial premises, utilities, etc. Fixed costs do not include employee costs, personal income or dividends.

** 'Trading' could include where your business has furloughed staff, is trading using online click-and-collect services or where it's managing accounts, preparing to reopen or planning and implementing COVID-secure measures.

*** State Aid regulations have changed following the UK's departure from the EU. As such businesses will need to check they are complying with the allowances set out under the EU-UK Trade and Co-operation Agreement (TCA). Three allowance levels can be considered which include: the Small Amounts of Financial Assistance Allowance, the COVID-19 Business Grant Allowance and the COVID-19 Business Grant Special Allowance. It is the business' responsibility to ensure they comply with the criteria set out in those schemes and inform the Local Authority accordingly prior to payment being made. If these rules are breached the responsibility lies with the applicant and, in line with the legislations, the Council can take action to recover the funding. An explanation of the new subsidy allowances can be found on page 13 of the ARG Guidance to Local Authorities https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/971482/additional-restrictions-grant-la-guidance.pdf

Exclusions to the Additional Restrictions Grant (Discretionary)

- Businesses that have already received grant payments that equal the maximum permitted levels of subsidy (former State Aid, now Subsidy Control or Subsidy Allowances) will not be eligible to receive funding.
- For the avoidance of doubt, businesses that are in administration, insolvent or where a striking-off notice has been made, are not eligible for funding under this scheme.
- ARG funding should not be used as a wage support mechanism, for capital projects that do not provide direct business support, or to fund projects whereby Local Authorities are the recipients.

ARG Grants from 21 June to 18 July

In seeking to support businesses responsibly and fairly, Ashford Borough Council has designed an ARG policy from 21 June to 18 July based on the dates of the extended restrictions announced and correct at the time of publication.

Businesses are assessed on their ability to have re-opened on key dates as set out by the Roadmap, considering the nature of their premises, the effect the restrictions have on the business and whether or not they are in key sectors (as defined in point 6 of the Eligibility Criteria).

Eligible businesses will receive double the amount of grant funding they received in November 2020 through Local Restrictions Support Grant (LRS) or Additional Restrictions Grant (ARG). This is due to the lead in time required by businesses in these sectors to return to normal operations and conduct their activities or trade.

Businesses with a Business Rates account in commercial premises:

- For properties with a rateable value of £15k or under, grants to be £2,500
- For properties with a rateable value of between £15k-£51k grants to be £4,000
- For properties with a rateable value of £51k or over grants to be £6,000

Where a business does not have a Business Rates account or is not in a commercial property, double the grant level paid for the November 2020 period will apply.

The minimum ARG grant that can be provided under this policy to eligible businesses is £1,000.

Due to the limited amount of funding available, applications for grants via the ARG are not open and ARG is not planned to be used for businesses that have not received LRS, Restart Grants or ARG previously. In exceptional circumstances the council can consider an application from a business that has not previously received any grant funding (LRS, Restart and ARG) as long as it meets the eligibility criteria set out above and based on an assessment of a significant impact from the extension of restrictions to that business.

Appeals

An appeals process will be in place where a business disputes the decision made by the council. The appellant will need to email discretionary.grants@ashford.gov.uk requesting an appeal within 1 week of receiving a decision notification. Appeals will need to include a statement providing additional information and supporting evidence. The application and appeal documents will be considered by an appeals panel chaired by the Director of Finance and Economy. The panel will make its recommendation and Director of Finance and Economy will act as the final arbiter and will make a final decision. The appellant will subsequently be notified of the outcome of their appeal.

Queries

All enquiries about this grant funding and this policy should contact the Economic Development Team using the email address discretionary.grants@ashford.gov.uk.