

Guidance for Additional Restrictions Grant Application

Introduction

1. This guidance is intended to support Hillingdon based businesses applying to London Borough of Hillingdon for a grant from the Additional Restrictions Grant (ARG) fund announced by the government on 31 October 2020. Local authorities have been encouraged to design a discretionary grant scheme to help those businesses which are significantly impacted by the restrictions put in place to prevent the spread of Covid-19, but which do not meet the eligibility criteria applicable to the Local Restrictions Support Grants.
2. This guidance has been updated on 15th March 2021 to reflect the council's decision to expand the criteria for the discretionary scheme to a wider range of sectors within the local economy and again on 30 April 2021 to reflect that the economy is emerging from the pandemic and to make funding available for businesses leading up to and following their re-opening.
3. The council intends to use this funding to support businesses based within Hillingdon that meet the criteria under a series of streams, as in the earlier guidance. These streams are intended to assist businesses not in the Rating List and also to some extent those businesses (rated or not rated) where gaps in the previous support available have been identified.
4. Further changes are planned in mid-May 2021 closing Streams A and B to bring this scheme into line with the Local Restrictions Grant Scheme. Applications for LRSB (Closed Addendum and LRSB (Open) closed on 31 March 2021.
5. The available funding will thereafter be concentrated on the recovery of the economy helping businesses re-open with an emphasis on Restart Grant funding.

Main Changes Announced in May 2021

6. The introduction of a payment equivalent to a Restart Grant for those businesses who qualify for payment under **Stream A** and **Stream B** which were the support for non-rated businesses that were either mandated to close during National Restriction or rated and non-rated businesses which were open but whose trade were severely impacted by social distancing rules.
7. There will also be a Restart Grant paid to those businesses that have previously qualified under the old Stream C which was available prior to 15 March 2021.
8. Restart Grant payments to those businesses who have already received ARG grants under Streams A, B, C and E will be made automatically if they

meet the criteria and they have not already been paid under the main Restart Grant scheme for rated properties.

9. **Stream D** which has been expanded to a wider group of rated businesses from 15 March 2021 will continue to be available to support those rated businesses who were unable to access grants during the period March 2020 to 30 Sept 2020.
10. **Stream E** which allows a one-off grant of up to £2,000 for Hackney Carriage (Black Taxis) will be expanded to cover include Driving Instructors who can demonstrate fixed business/vehicle cost of up to £2,000.
11. A further Restart payment of £1000 will be added to **Stream E** for Restart Costs.
12. **Stream F**. This is for businesses operating from domestic premises, registered at Companies House prior to the restrictions a one-off payment. This stream is unchanged.
13. The Council will use ARG funding to pay out any qualifying application made by the closing date for in time for the LRSG schemes (31 March 2021), but where information was awaited or where for administrative reasons it was not possible to pay by the government's closing date of 30 April 2021.
14. The Council will also use ARG funding to pay Restart Grants to businesses on the expanded list of businesses from existing information but will also invite applications from businesses who have not received previous grant funding but meet the prescribed criteria of the scheme.
15. This guidance sets out the criteria under which businesses will qualify to make an application to the Additional Restrictions Grant Fund and is aligned with the Government guidance issued on 3 November 2020 and revised in March 2021.

Revised Scope and Eligibility

Eligibility Criteria (Stream A)

16. This stream is aimed at providing support to those businesses **not** in the Rating List who were mandated to close during the period of National Restrictions and who have not had access to the Local Restrictions Support Grant (Closed) Addendum
17. In addition, those businesses that were required to close from 2 December 2020 under the revised Tier 2 or Tier 3 guidelines or 20 December 2020 under Tier 4 guidelines and are not eligible for the Local Restrictions Support for the period as they did not pay rates directly to the council.
18. The level of such assistance to be in line with the level of funding available to those businesses in the Rating Lists and a one of payment of £4,000 equivalent to the amount received by businesses with a rateable value of £15,000 will be paid for the January 2021 lockdown period.

Therefore, for the businesses which can apply for Stream A are businesses which:

- Had been open and trading prior to 5 November 2020 **and**
- Were required to close for the period 5 November 2020 to 1 December 2020 and/or and 5 January 2021 to 31 March 2021 and any period between the two lockdown periods.
- Are **not** entitled to Local Restriction Support Grant (Closed) Addendum grant payments for the period 5 November 2020 to 1 December 2020 and 5 January 2021 to 31 March 2021 or LRSG (Closed) or the Closed Business Lockdown Payment **because they are not responsible for payment of business rates.**

Those businesses already in receipt of the payment for Stream A prior to March 2021 need not reapply as payment of the £4,000 closed business lockdown payment will be paid automatically.

Applications in respect of payments for the period prior to 5 January 2021 will only be accepted until 31 March 2021, after which payments will only be considered for the period from 5 January 2021 onward.

Level of Grants Payable Under Stream A

	5.11.20- 1.12.20	20.12.20- 4.1.21	5.1.21- 15.2.21	16.2.21- 31.3.21	One Off Payment
Business with rent, mortgage and fixed property costs of £15,000 and under	£1,334	£762	£2,001	£2,096	£4,000
Business with rent, mortgage and fixed property costs of over £15,000 and under £51,000	£2,000	£1,143	£3,000	£3,143	£4,000
Business with rent, mortgage and fixed property costs of over £51,000	£3,000	£1,714	£4,500	£4,714	£4,000

Eligibility Criteria (Stream B)

19. The revised Stream B mirrors the Revised Local Restriction Support Grant (Open) but supports those businesses that do not pay rates directly. The funding will also support businesses in the Rating List by supplementing the Local Restriction Support Grant (Open) funding as required when the LRSG scheme closes on 30 April 2021.
20. This Stream will provide support to businesses that were not required to close for the restrictions but have been severely impacted. Payments may cover the periods from 5 November 2020 to 2 December 2020 and 5 January 2021 to 31 March 2021 and periods in between, if applicable. The level of such assistance to be in line with the level of funding available to those businesses in the Rating Lists under LRSG (Open).
21. The council has now widened the scope of this scheme to include the following categories in addition to hospitality, leisure and accommodation businesses:
 - Businesses not mandated to close but which can demonstrate severe impact.
 - Supply chain to the Hospitality, Leisure and Accommodation Sectors
 - Events and events supply chain including weddings and related services.
 - Travel, tourism and airport support services
 - Supply chain to retail and construction.
 - Personal and professional trainers/instructors/companies and tutors
 - Professional Services (include Solicitors/Accountants/Recruitment/Estate Agents)
 - (excluding essential food retail and pharmacy retail)

Businesses which:

Had been open and trading prior to 17 October 2020 (when Hillingdon was placed into Covid Tier 2 Restrictions **and** National Restrictions from 5 November 2020 to 2 December 2020 and 5 January 2021 to 31 March 2021.

and.

Are not eligible for Local Restrictions Grant (Open) grant payments **as they are not responsible for the payment of rates (or when the LRSG (Open) scheme has closed to applications and**

Have not been ordered to close during the period of restrictions but have been severely impacted by the restrictions imposed on their business and the effect on other businesses with which they trade.

Can demonstrate and evidence loss of income of 30% or more from a similar period last year.

Level of Grants Payable Under Stream B

	17.10.20 - 4.11	4.11 to 2.12	2.12. to 15.12	16.12 2020- 19.12-2020	20.12.20- 4.1.2021	5.1.21- 15.2.20	15.2.21 - 31.3.21
Property costs £15k and under	£634	£934	£467	£133	£534	£1,400	£1,467
Property costs £15k and under	£950	£1,400	£700	£200	£800	£2,100	£2,200
Property costs £15k and under	£1,425	£2,100	£1,050	£300	£1,200	£3,150	£3,300

NB Those businesses not in the Rating List, operating in a hospitality venue, leisure or accommodation business may qualify for a “closed” grant under Stream A for the National lockdown periods and an “Open” grant under Stream B for any period under local restrictions.

Additional Restriction Grant (ARG) Restart Grants for Stream A-C Only

22. Businesses who have already been paid Additional Restriction Grants Streams A-C will receive automatic payments as follows in line with payments made to rated business; 1 Payment per business.

Retail Related Businesses/supply chain/wholesalers /tutors /trainers/ professional services	Amount of Restart Grant
Based on fixed costs or rateable previously identified under £15k or	£2,667
Fixed Costs or rateable value over £15k but under £51k or	£4,000
Fixed Costs or Rateable value over £51k	£6,000
Hospitality /Leisure / Accomodation/Personal Care/Sports gyms/travel/tourism/events sector/airport related services	
Based on fixed property costs previously identified under £15k or	£8,000

Fixed Costs property costs over £15k but under £51k or	£12,000
Fixed Costs property over £51k	£18,000

No application is necessary for those who have already received payment under the Additional Grant Scheme A to C

23. The Council expanded its ARG scheme in March 2021 to cover the following sectors and it is envisaged that the Restart Payments will be paid out to the same sectors:

- Business not mandated to close but which can demonstrate severe impact.
- Supply chain to the Hospitality, Leisure and Accommodation Sectors
- Events and events supply chain including weddings and related services.
- Travel, tourism and airport support services
- Supply chain to retail and construction.
- Personal and professional trainers/instructors/companies and tutors
- Professional Services (include Solicitors/Accountants/Recruitment/Estate Agents)

24. Those businesses who applied under these schemes and have not yet been advised of the outcome and are yet to receive payment will automatically receive a restart payment with their grant payments, if their application is successful and they have not already received a Restart Grant under the main grant scheme.

25. The Council will open an application window in May 2021 for those businesses who do not qualify for a Restart Grant under the main scheme and have not received any other funding from grant schemes but can demonstrate loss of turnover during lockdown and costs for re-opening.

For Local Targeted Business Additional Restrictions Grant

Eligibility Criteria (Stream D)

26. This stream provides support to businesses within specific sections of the local economy which have been severely affected by the effects of the pandemic and the restrictions and have not had access to the earlier grant schemes as they did not qualify for the extended retail relief to enable access to the Retail, Hospitality and Leisure Grant, the Small Business Relief Grant or the Discretionary Grant introduced in May 2020. Such assistance will be provided in line with assistance provided in earlier grant schemes.

Businesses which:

- Rated Businesses which have not received a grant under the Retail Hospitality and Leisure Grant Fund, the Small Business Grant Fund or the Discretionary Grant Fund introduced in May 2020 **and**,
- Operate in the hospitality, retail, events or leisure industry, or the supply chain to these sectors **and**
- Were open and trading on 11 March 2020 (date for the earlier schemes)
- Can demonstrate that their business has been severely impacted by the pandemic with a reduction in business takings/booking of 30% or more compared with December 2019.

OR

Businesses that have been added to the Rating List with a rateable value under £51,000 after 11 March 2020 from a date earlier than the 11 March 2020 and would have qualified for Small Business Rate Relief or Expanded Retail Relief had they been originally rated. (Payments will be as they would have originally received as a Small Business Grant or Retail Hospitality and Leisure Grant as below)

Level of Grants Payable Under Stream D

Business with rateable value of £15,000 and under not in receipt of extended retail relief	£10,000 one off payments
Business with rateable value, of over £15,000 and under £51,000 not in receipt of extended retail relief	£25,000 one off payments
Business with rateable value of over £51,000 not in receipt of extended retail relief	£25,000 one off payments

Eligibility Criteria Stream E

27. This new stream is targeted at Hackney Carriage type taxis and driving instructors. A one-off payment of up to £2,000 is available towards annual licensing and fixed costs associated with the operation of the vehicle. Applicants will be required to evidence these costs and their active PCO license registration or registration as a driving instructor active on 4 November 2020 as part of the application.

Level of Grant Payment

Level of fixed costs as evidenced.	Up to £2,000
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A Restart Grant of £1,000 will automatically be paid to those applicants who have already received payment of their grant and will be added to the payment of any successful applications processed from the date of this guidance.

Eligibility Criteria Stream F

28. This new stream is for home-based businesses, registered at Companies House prior to 11 March 2020. These businesses which have been required to close their operation, or which had been severely impacted by Covid restrictions and can demonstrate losses of 30%, or more, compared to pre pandemic income. There will be one payment per property.

Level of Grant Payment Stream F

Reduction in turnover of more than 30% evidenced.	One off payment £4,000
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29. The Council will review the information held on previous grant records to assess businesses to pay qualifying businesses (including rated businesses) under this Additional Restrictions Restart Grant scheme automatically if they qualify under the expanded list of businesses. These businesses will be in the sectors covered by the council's expanded Additional Grant scheme which is now amended to include further businesses following government guidance on Additional Restriction Grants issued on 22 March 2021.
30. Businesses who do not qualify for earlier grants or do not receive an automatic payment will also be able to apply online for an Additional Restrictions Restart Grant

Exclusions from this grant scheme

31. Businesses that have already received grant payments that equal the maximum levels of State aid permitted under the de minimus and the Covid-19 Temporary State Aid and Framework.
32. Businesses that are in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.
33. Businesses not trading on the day before the introduction of the relevant period of restrictions.

The Council's approach

34. The Council will invite applications from businesses that meet the criteria for the eligibility streams by way of an online application.

35. 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.

Evidence Required

36. We require businesses to demonstrate that they meet the eligibility criteria of each stream which will include declarations that they closed as required and/or evidence that they have been severely impacted by the pandemic. Such evidence will include trading accounts, bank statements, evidence of fixed costs and registrations.

37. In addition, all businesses will also be required to provide details for government reporting requirements to demonstrate the types of businesses receiving support. To do this you will need to provide via the online application form:

- a. Size of business using definition for small or micro business found here [Small Business, Enterprise and Employment Act 2015 \(legislation.gov.uk\)](https://legislation.gov.uk)
- b. Number of employees
- c. Confirmation of State Aid compliance
- d. Details of bank account with evidence to confirm for payment purposes
- e. Subsidy Allowance Compliance

38. There is a requirement for all grants made under this scheme to be subsidy allowance compliant, please see the further guidance on this at this link – [Complying with the UK's international obligations on subsidy control: guidance for public authorities - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/complying-with-the-uk-s-international-obligations-on-subsidy-control-guidance-for-public-authorities)

How payments will be made

39. Applications for the grant can be made online and payments will be made directly to approved recipients' bank accounts by electronic transfer.

40. The timeline for the revised scheme is:

- a. Applications open –30 April 2021 for the ARG only
- b. Restart applications forms will go live mid May 2021 after automatic payments completed.
- c. The application window for the Additional Restrictions Grant and the Additional Restrictions Restart Grant will close at 17:00 on 16 June 2021.

- d. Payments will be made as quickly as possible but will depend on demand. We expect to make all payments from existing funding by 30 June 2021.

Other information

41. 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.
42. The Government guidance issued on 3 November 2020 gives the council discretion over the grant scheme, and its decisions regarding the scheme will be final.
43. 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.
44. 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.
45. The Council will not pay grants to those businesses who are failing to comply with legal restrictions imposed by the Government to safeguard the health of the public from the Covid-19 pandemic. Such failures include, but are not limited to, refusing to close a business where there is a requirement to do so, refusing to restrict the numbers of people attending their businesses in accordance with limits prescribed by Government and failing to ensure that staff and members of the public wear appropriate face coverings. For the avoidance of doubt, the Council will refuse to pay grants to any businesses which it has issued Fixed Penalty Notices to as a result of a failure to comply with Government restrictions.
46. Enquiries about the scheme can be made via email only.
Grantsforbusiness@hillingdon.gov.uk There is no contact centre for these schemes as limited resources will be focused on processing applications and making payments.