### Winchester City Council Local Restriction Support Grant (Open) Policy January 2021

### Introduction

The Local Restrictions Support Grant (Open) is aimed at **hospitality**, **hotel**, **bed & breakfast and leisure** businesses in Tiers 2 and 3. These are businesses that are not legally required to close but which are severely impacted by the localised restrictions on 'socialising' put in place to manage coronavirus and to save lives. For the purposes of this scheme, a business that has been 'severely impacted' is one that suffered a significant loss of income in December 2020, as a direct result of those restrictions.

This support is available in the Winchester district for the period from 2 December 2020 to 25 December 2020, and any subsequent periods in Tier 2 or Tier 3 following the termination of the current National Lockdown, which began on 5 January 2021.

This policy expands on the eligibility and grant criteria provided in the <u>government's</u> <u>guidance</u> to enable you to apply for a grant.

### **Grant payments**

The amount you receive depends on the rateable value of your premises (with the exception of Bed and Breakfasts who will be paid £800.57 as they do not appear in the rating list). You will receive one payment for the following period:

Rateable value of premises	Grant payment for period 2 December to 25 December 2020
Less than £15,001	£800.57
£15,001 to £50,999	£1200
£51,000 or over	£1800

You can find the rateable value of your premises on your latest business rates bill, or online <u>here</u>.

# Eligibility criteria

This grant scheme is aimed at hospitality, hotel, bed and breakfast and leisure businesses.

To be eligible for this grant, a business must:

• Be the ratepayer on a business property, or a liable party for Council Tax in the case of Bed and Breakfasts.

- Not be legally required to close but must be severely impacted by "LCAL High restrictions". This relates to the restrictions imposed on districts in Tier 2 and Tier 3. Winchester was placed in to Tier 2 on 2 December until 25 December.
- Have suffered a significant loss of income between 2 to 25 December 2020, as a direct result of those restrictions. A 'significant loss' is a reduction in income of at least 30%, compared to the usual or forecasted income for the business at this time of year.
- Have been trading up to the point that local restrictions were implemented.
- Be listed below, or is similar in nature to one of the following:

### Hospitality & Leisure would include -

- Bars
- Bingo halls
- Bowling alleys
- Cafés
- Casinos and gambling clubs
- > Cinemas
- Clubs and institutions
- Concert halls
- Conference and exhibition centres
- Dance studios
- Fitness studios
- Golf Course
- > Gyms
- Miniature railways

- Museums and art galleries (continuously open)
- Public halls
- Public houses
- Restaurants
- Roller skating rings
- Soft play centres
- Sports and leisure centres
- Sports and leisure centres within/part of specialist property
- Squash courts
- Swimming pools
- Tennis centres
- Theatres
- Village halls, scout huts, cadet huts etc

### Hotel/Bed and Breakfast would include -

- Caravan Parks
- Guest and boarding houses
- Holiday homes (Self-catering)
- Hostels

- Hotels (3 Star and under)
- > Hotels (4 Star and above) & Chain Op.
- Serviced apartments

#### Businesses excluded from receiving this grant

The following businesses will not be eligible for the grant

- Businesses which have already received grant payments that equal the maximum levels of State aid permitted under the de minimis and the Covid-19 Temporary State Aid Framework. Please see further information below.
- For the avoidance of doubt, businesses that were in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.

- The following types of properties:
  - Beauty salons
  - Drive-thru restaurants
  - Hairdressers/Barbers

- Nail bars
- Takeaways
- Tattoo parlours

## To apply for this grant

The application is published on the <u>Council's website</u>.

The application will require a valid business rates reference number and evidence to show that the business has been severely impacted by the restrictions detailed above. Details of the loss in income, compared to December 2019, are required. This could include records of transactions or daily sales receipts for that period. If you were not trading in December 2019, please compare your income to your forecasted income.

All applicants will be informed if a grant has been awarded or declined. The council's decisions with regards to funding are discretionary and no appeals process is available.

All payments will be made via BACS (as soon as practicable) to the bank account most recently used for payments of grants. If you have not previously received a grant, you will be required to provide bank details and a copy of your bank statement.

If the fund is oversubscribed with the applications received, the council reserves the right to amend the grant levels to a pro-rata basis, based on the applications received and approved, in order to restrict payment of this grant to the fund allocated to the council by government.

# Тах

Grant income received by a business is taxable therefore funding paid under the Local Restriction Support Grants will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.

# State Aid

The Local Restrictions Support Grant (Closed) counts towards state aid.

The United Kingdom left the EU on 31 January 2020, nonetheless under the Withdrawal Agreement the State aid rules continue to apply during a transition period, subject to regulation by the EU Commission. The Local Authority must be satisfied that all State aid requirements have been fully met and complied with when making grant payments, including, where required, compliance with all relevant conditions of the EU State aid De-Minimis Regulation, the EU Commission Temporary Framework for State aid measures to

support the economy in the current COVID-19 outbreak, the approved Covid-19 Temporary Framework for UK Authorities, and any relevant reporting requirements to the EU Commission.

Payments made can be provided under the existing De Minimis rules, to any one organisation over a three fiscal year period, provided doing so does not exceed the €200,000 threshold. Payments made where the De Minimis threshold has been reached should be paid under the Covid-19 Temporary Framework for UK Authorities (threshold €800,000).

The amended Temporary Framework enables EU Member States to give up to the nominal value of  $\in$  800,000 per company. This can be combined also with so-called de minimis aid (to bring the aid per company to up to  $\in$ 1 million) and with other specific types of aid. Any business that has reached the limits of payments permissible under the De Minimis and the UK Covid-19 Temporary State Aid Framework will not be able to receive further grant funding.

# Fraud

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.

All applicants' information will be shared with the Government Grants Management team to enable any fraud to be identified. All businesses are asked to agree this by ticking the consent box on the application.

Information is available on the Winchester City Council website via the <u>Coronavirus</u> (<u>COVID-19</u>) link on the home page.

If you have any queries or questions about whether to apply please contact

businessrates@winchester.gov.uk or telephone on 01962 848 288.