



**WINCHESTER CITY COUNCIL DISCRETIONARY GRANTS SCHEME  
(ADDITIONAL RESTRICTIONS GRANT (ARG))  
TRANSFORMATION, ADAPTATIONS AND DIVERSIFICATION GRANT FUND (TAD)  
ELIGIBILITY POLICY  
MAY 2021**

### **Summary**

This new Transformation, Adaptations and Diversification Fund (TAD) is aimed at organisations that:

- have or plan to make adaptations to their premises in order to continue to serve customers within COVID-19 restriction guidelines

and or

- have or plan to diversify or transform their services, products and business model to reach new customers and markets, including new practices that support a green recovery

The maximum grant for adaptations is £5,000 and up to £20,000 for transformation and diversification. Awards will be allocated based on the individual business case submitted. Organisations may apply for one or both elements of the fund.

**This is a limited fund and payments will be made on a first-come, first-served basis.**

**The opportunity for organisations to apply will close at  
8am on Monday 24 May 2021**

**Organisations can complete their on-line application [here](#).**

Payments to organisations will commence after all eligibility checks have been undertaken and no earlier than Wednesday 16 June 2021.

If you have any queries or questions regarding the criteria please contact our Economy Team at:

[ecodev@winchester.gov.uk](mailto:ecodev@winchester.gov.uk)  
or telephone on 01962 814915.



## Introduction

In light of the imposition of national restrictions in response to the COVID-19 pandemic, the Government has supplied local authorities with discretionary grant funding (ARG) to support local organisations impacted by the restrictions and beyond. The purpose of which is to support ongoing recovery.

Winchester City Council recognises that many local businesses and organisations (referred to as organisations collectively throughout this policy) across the district are facing on-going challenges because of the national restrictions and that the extent of the difficulties are likely to be specific and varied. In response to this, the city council is making a further £500,000 of grant funding available through the TAD Fund. This is to allow organisations to make applications to help finance the investments they have made or are currently making in order to carry out works around transition, adaptation and/or diversification of their business model to ensure immediate business resilience and longer term survival and growth.

## The Transformation, Adaptations and Diversification Fund

The council will seek to support as many businesses as possible through this fund and therefore, in response to demand, it reserves the right to adjust the share of the total allocation between each strand and the maximum grant available.

There are two strands to the TAD fund and organisations can apply to one or both strands which are as follows:-

	<b>Adaptation</b>	<b>Diversification &amp; Transformation</b>
<b>Indicative share of fund</b>	25%	75%
<b>Maximum grant per organisation</b>	£5,000	£20,000
<b>Grant value eligibility</b>	The grant will cover whichever is lower <ul style="list-style-type: none"><li>• 100% of costs</li><li>• £5,000 maximum grant</li></ul>	The grant will cover whichever is lower: <ul style="list-style-type: none"><li>• 50% of the costs</li><li>• £20,000 maximum grant</li></ul>
<b>Summary of eligible activities</b>	Adaptations are improvements and adjustments to allow the business premises to continue to operate in response to COVID-secure practices and social distancing guidelines.  It can include the purchase of equipment/technology in order to meet COVID-related operating requirements.	These grants are aimed at organisations adopting new ways of working that diversify its operations and business model in order to protect the long term sustainability of the organisation and its employees.  Transformational changes, which could attract a higher grant value must demonstrate a significant and creative business transformation plan that would bring about a permanent change to the organisations business model.

	<b>Adaptation</b>	<b>Diversification &amp; Transformation</b>
<b>Examples</b>	<p>Adaptations for serving food and drink such as the provision of a suitable service counter to accommodate a take-away operation.</p> <p>Exterior furniture, shelter, heating and lighting interventions to support appropriated spaced outdoor services.</p> <p>The provision of protective screens, sanitiser units, barriers etc.</p> <p>The purchase of technology in order to facilitate on line trading.</p>	<p>Investments in innovation which will enable the organisation to improve productivity, reach new markets and new customers through:</p> <ul style="list-style-type: none"> <li>- introducing new products and services</li> <li>- adopting new delivery models and systems</li> <li>- new equipment</li> <li>- technological advances</li> <li>- related marketing and promotional activities</li> <li>- sustainable / carbon reduction improvements</li> </ul>
<b>Exclusions</b>	<p>Any purchases related to regular running costs or repeat purchases.</p> <p>Contingency costs.</p> <p>Like for like replacement of existing equipment or services</p> <p>Purchases which are not directly related to COVID-secure adaptations, transformation and diversification.</p> <p>Consultancy costs and other professional fees including planning permission.</p>	
<b>Qualifying period</b>	Works completed or planned between 26 December 2020 and 30 June 2021.	Changes undertaken or planned between 26 December 2020 and 1 December 2021.
<b>Evidence</b>	Invoices and evidence of payment for works carried out or quotes for works still outstanding.	<p>Evidence to support the business case :</p> <ul style="list-style-type: none"> <li>- there is need and demand for the new service or product,</li> <li>- existing and new / proposed operating and financial model,</li> <li>- how the proposals support a green recovery,</li> <li>- how the proposals protect jobs,</li> <li>- how the proposals meet the strategic ambitions of the city council as outlined in its <a href="#">Council Plan</a> under the themes of vibrant local economy and sustainability</li> </ul> <p>Invoices and evidence of payment for changes undertaken or quotes for planned changes.</p>
<b>Post grant payment expectations</b>	By 1 September 2021 recipients will be required to provide an overview of the works carried out and the benefits it has brought to the organisation.	By 7 January 2022 recipients will be required to provide an overview of the changes undertaken and the benefits that it has brought about to the organisation.

## **Additionality**

Projects included in the TAD Fund application have to be additional or new to those already claimed under successful Hardship Fund applications, i.e. the same work cannot be claimed for twice.

If applying for both strands of funding the works or proposals must be different for each strand, the grant cannot be used to fund an activity twice.

## **Which types of organisations will be eligible to apply for a TAD Grant?**

Any micro/small or medium sized organisation in any sector is eligible to apply for a TAD grant (see below for more information on size criteria). However, priority will be given to:

- Organisations instructed to close by the government between 6 January and 12 April 2021
- Organisations not instructed to close but that operate in or are a supply chain business within one or more of the following sectors:
  - Non-essential retail
  - Hospitality/food and drink/guest accommodation
  - Leisure/sports
  - Attractions/events/festivals/entertainment venues/ performing and visual arts
  - Pre-school childcare services

## **Eligibility criteria**

Organisations completing the on-line declaration of eligibility need to indicate the type of organisation they are. These could include:

- Business, partnership or company
- Self-employed or sole trader
- Market trader
- Organisation located in shared offices or other flexible workspaces. These include units in industrial parks, science parks and businesses within incubators<sup>1</sup> which do not have their own business rates assessment
- Located in sub-let units (for example retail outlets, cafes and farm shops in garden centres)
- Community organisation

---

<sup>1</sup> incubators are defined as those units where tenants are supported by an organisation designed to accelerate the growth and success of entrepreneurial companies through the provision of business support resources and services such as space, capital, coaching, common services, and networking.

- Charity

The organisation being applied for:

- must be based in and operate from the Winchester district. Please refer to the map of the Winchester district [here](#).
- was actively trading on and before the 26 December 2020
- is not in administration, insolvent or has had a striking off notice made

## Size Criteria

The fund is only applicable for organisations who are a micro/small or medium sized enterprise, as set out under the Companies Act 2006 and falling within the criteria set out below:

To be a micro organisation, an organisation must satisfy two or more of the following requirements:

- Turnover: not more than £632,000
- Balance sheet total: not more than £316,000
- Number of employees: a headcount of staff of not more than 10

To be a small organisation, an organisation must satisfy two or more of the following requirements:

- Turnover: not more than £10.2million
- Balance sheet total: not more than £5.1million
- Number of employees: a headcount of staff of less than 50

To be a medium organisation, an organisation must satisfy two or more of the following requirements:

- Turnover: not more than £36million
- Balance sheet total: not more than £18million
- Number of employees: a headcount of staff of less than 250

## Application Process

Organisations will be required to complete an on-line application form at [www.winchester.gov.uk](http://www.winchester.gov.uk). The on-line form will be available [here](#) until **8am on Monday 24 May 2021. This deadline is final, there will be no extensions.**

Applications for Adaptations grant will require a signed eligibility declaration and be accompanied by financial evidence.

Applications for Transformation and diversification grant will require a supporting business case to accompany the application. This should be **no more than 2000 words** plus supporting evidence as outlined in the table. The business case should include:-

- A demonstration that there is demand for any new service or product and that the proposal has evidence of market testing or research; there is a delivery plan with clear outcomes and realistic timeframes for the work to be completed by 1 December 2021.
- An overview of the current financial viability of the organisation; a clearly set out budget which accurately reflects the scope and scale of the proposal with clearly identified resources required to deliver the proposal.
- How the proposal represents value for money including what difference the grant would make compared to what would happen without grant funding.
- How the proposal will benefit the on-going viability and resilience of the organisation in the longer term.
- A demonstration of ethical, sustainable business practices and alignment with [Council Plan](#) in terms of vibrant local economy and sustainability.

The on-line form will require the applicant to confirm that the organisation applying meets the criteria set out in this fund policy. Before any payments are made, pre-payment checks will be undertaken to confirm eligibility.

### **Decision making**

Individual grant decisions will be made by a designated TAD Grant Fund Panel in accordance with this policy and the guidance set out by the Government.

All decisions will be communicated by email to organisations, with grant payments made to successful applicants as quickly as possible, but no earlier than Wednesday 16 June 2021.

The fund is limited and grants will be made on a case by case basis.

Unsuccessful applicants who wish to appeal a decision should make their appeal in writing by Friday 25 June 2021. The appeal will be considered and a final decision made no later than Tuesday 29 June 2021.

### **Payments of grant and tax**

All payments of grant will be made by a BACS transfer to the organisations nominated business bank account. Please ensure that your bank details on the on-line form are correct to minimise delays in payment.

Grant income received by an organisation is taxable therefore payments made from this fund will be subject to tax.

Only organisations which make an overall profit once grant income is included will be subject to tax.

## **State Aid**

There is a requirement for all grants made under this Additional Restrictions Grant fund to be state aid compliant. This grant counts towards state aid. The rules are fully explained in the government state aid guidance [here](#). As part of the declaration process the applicant will be required to confirm that the organisation applying for the grant is not in breach of these rules. The applicant will be required to confirm that the award of the grant does not exceed the 800,000 Euros allowed within the last three years, as outlined in the State Aid Regulations. If the applicant's premises are part of a large chain, where the cumulative total of the grants could exceed 800,000 Euros, they should check the State Aid Law carefully before applying for this grant.

## **Managing the risk of fraud**

Winchester City Council will not accept deliberate manipulation and fraud. Any organisation caught falsifying their records to gain additional grant money could face prosecution and any funding issued will be recovered, as may any grants paid in error. All applications will be subject to checks and verification.

Applicants will be required, as part of the declaration process, to declare that they understand that if they knowingly and dishonestly provide false or misleading information in communication with the Council including verbal communication they will be committing a criminal offence contrary to the Fraud Act 2006 and could be subject to a criminal investigation and criminal proceedings may be taken against them.

## **Data**

Winchester City Council administers these grants on behalf of the Department of Business Energy and Industrial Strategy who require that we notify them of grant awards that we make. This means that details of your application and supporting information, which includes your business name, address, postcode and email address as well as the amount of grant you have been awarded, will be shared with them. They will use that information to monitor the grants process which may include making checks to protect public funds from fraud.

**If after reading this policy you have any queries or questions**

**please contact our Economy Team**

**Email: [ecodev@winchester.gov.uk](mailto:ecodev@winchester.gov.uk)**

**Tel: 01962 814 915**