

**WINCHESTER CITY COUNCIL DISCRETIONARY GRANTS SCHEME  
ADDITIONAL RESTRICTIONS GRANT (ARG)**

**TRANSFORMATION, ADAPTATIONS AND DIVERSIFICATION GRANT FUND – Round 2 (TADR2)  
ELIGIBILITY POLICY - AUGUST 2021**

### Summary

This new round of ARG funding is aimed at organisations located and operating in Winchester district to support their longer term resilience as they recover from COVID-19 restrictions by adapting, changing and growing their businesses.

It is directed particularly at those sectors who have been most severely impacted by restrictions and the arts and entertainment sector including attractions; events and festivals; entertainment venues and performing and visual arts venues and organisations, and their supply chain, as the last sector to reopen from COVID-19 restrictions. Please see section four for full eligibility requirements.

The Transformation, Adaptation and Diversification Fund Round 2 (TADR2) is aimed at organisations that have or plan to make adaptations to their services and/or to diversify or transform their services, products and business model to reach new customers and markets, including new practices that support longer term resilience.

The grant is for 50% of the total project costs to a maximum £20,000. Please ensure you include all the project costs and state the amount you are applying for.

If an organisation has already received a grant from TAD round one this application must be for new activities.

If an organisation was unsuccessful in TAD round one and we have contacted you about TAD round two then you do not need to apply again.

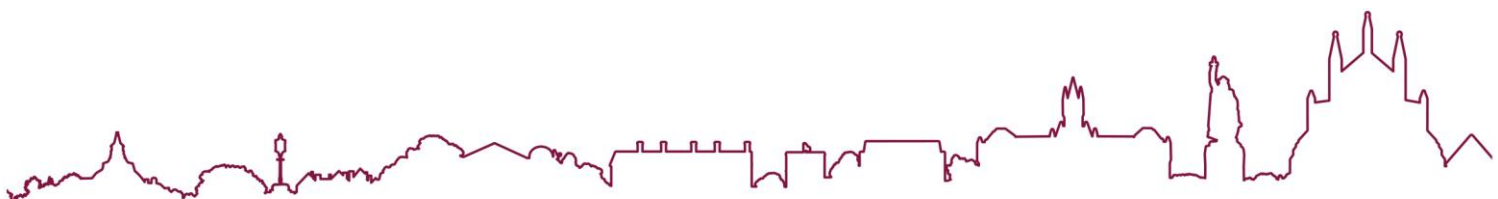
If we have not been in contact with you about TAD round two and you choose to re-apply then the activities must be different to that applied for in TAD round one and must meet the criteria as outlined in this policy.

**The opportunity for organisations to apply will open on  
Monday 16<sup>th</sup> August and will close at  
8am on to Monday 13<sup>th</sup> September 2021.**

**Organisations can complete their online application [here](#).**

Payments to organisations will commence after all eligibility checks have been undertaken and no earlier than Monday 4 October 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.



## 1. 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 severely 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 impacts of the COVID-19 pandemic 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 Round 2 Fund. This is to allow organisations, who have not received grants previously, 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.

## 2. The Transformation, Adaptations and Diversification Fund

The council will seek to support as many businesses as possible through this fund and in response to demand, it reserves the right to adjust the level of grant available.

<b>Maximum grant per organisation</b>	50% of total eligible project costs (to a maximum of £20,000)
<b>Eligible project costs and examples</b>	<p>Investments in equipment, goods and services that will enable the organisation to improve productivity, reach new markets and new customers through adapting services, introducing new products and services or adopting new delivery models and business systems.</p> <ul style="list-style-type: none"><li>- Purchase of new equipment/ technology / software.</li><li>- Website, e-commerce and online platform development.</li><li>- Branding and related marketing and promotional activities.</li><li>- Outlay on new product development and testing.</li><li>- Cost of new product production.</li><li>- Customer research.</li></ul>
<b>Supporting case</b>	<p>A supporting statement that should include at least:</p> <ul style="list-style-type: none"><li>- the need and demand for the new service or product – what market or customer research has been done.</li><li>- existing and new / proposed operating and financial model – what has been financial impact of COVID-19 restrictions and how will the proposed change improve the organisations finances.</li><li>- how the proposals protect jobs – will the change help retain employees or provide new job opportunities.</li></ul> <p>Invoices and evidence of payment for works carried out or quotes for works still outstanding.</p>

<b>Exclusions</b>	<ul style="list-style-type: none"> <li>- Ongoing / regular running costs or repeat purchases.</li> <li>- Contingency costs.</li> <li>- Like for like replacement of existing equipment or services</li> <li>- Purchases which are not directly related to COVID-secure adaptations, transformation and diversification.</li> <li>- Property or building costs related to new builds, extensions or new/additional premises and other professional fees including planning permission.</li> <li>- Activities that are deemed to have a negative and or harmful impact on the environment.</li> </ul>
<b>Qualifying period</b>	Changes undertaken or planned between 26 December 2020 and 1 December 2021.
<b>Post grant payment expectations</b>	By 1 March 2022 recipients will be required to provide an overview of the changes undertaken and the benefits that it has brought about to the organisation.

A spreadsheet is provided and should be completed with details of the total project cost supported by invoices and quotes.

### 3. **Additionality**

Projects included in this TAD Fund round 2 application have to be additional or new to those already claimed under successful TAD Fund round 1 and Hardship Fund applications, i.e. the same work cannot be claimed for twice.

### 4. **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 TADR2 grant (see below for more information on size criteria).

This is a limited fund and priority will be given to applications from:

- Organisations that have not been previously awarded a grant in TADR2
- Organisations instructed to close by the government between at least 6 January and 19<sup>th</sup> July 2021.
- Organisations that operate in, or are a supply chain business within, one or more of the following sectors:
  - Attractions.
  - Events & Festivals.
  - Entertainment venues.
  - Performing and Visual Arts.
- 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.
  - Pre-school childcare services.

## 5. Eligibility criteria

Organisations completing the online 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
- Community organisation, charity or social enterprise.

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](#).
- Must be actively trading, carrying on a trade or profession, or buying and selling goods or services in order to generate turnover.
- Is not in liquidation, dissolved, struck off or subject to a striking-off notice

## 6. 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

## 7. Application Process

Organisations will be required to complete an online application form at [www.winchester.gov.uk](http://www.winchester.gov.uk). The online form will be available [here](#) until **8am on Monday 13<sup>th</sup> September 2021**.

Applications will require a signed eligibility declaration and be accompanied by:

1. A fully costed proposal for the total project using the spreadsheet provided, evidenced by invoices paid or formal quotes received from suppliers. Up to 50% of the total evidence project costs will be funded to successful applicants. Individual grants will not exceed £20,000 in value. Applicants need to confirm they are able to fund the balance in order to deliver the project.
2. A supporting statement of **no more than 2000 words** in length that describes the project(s) and its long term benefits to the organisation. This may include:
  - A demonstration that there is demand for any new service or product and that the proposal has evidence of market testing or research.
  - A realistic timeframe for the work to be completed by 1 December 2021. Financial evidence to show that the organisation has been severely impact by COVID-19 restrictions and 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.

The online 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.

## **8. Decision making**

Individual grant decisions will be made by a designated Discretionary 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 **Monday 4 October 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 Monday 1 November 2021. The appeal will be considered and a final decision made no later than Monday 22 November 2021.

## **9. Payments of grant and tax**

All payments for the grant will be made by a BACS transfer to the organisations nominated business bank account. Please ensure that your bank details on the online 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.

## 10. State Aid

The EU State aid rules no longer apply to subsidies granted in the UK following the end of the transition period, which ended on 31 December 2020. The United Kingdom remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU. On Thursday 4 March new subsidy allowances were established for the COVID-19 business grants schemes, on the basis of the principles set out in Article 3.4 of the TCA. The following scheme rules are applicable to COVID-19 business grants on the basis of the EU-UK Trade and Co-operation Agreement (TCA). The rules are applied to applicants at the level of economic actor, which is defined as an entity or a group of entities constituting a single economic entity regardless of its legal status, that is engaged in an economic activity by offering goods or services on a market. There are three subsidy allowances for this scheme: Small Amounts of Financial Assistance Allowance, the COVID-19 Business Grant Allowance and the COVID-19 Business Grant Special Allowance. Small Amounts of Financial Assistance Allowance Grants may be paid in accordance with Article 3.2(4) of the TCA, which enables an applicant to receive up to a maximum level of subsidy without engaging Chapter 3 of the TCA. This allowance is 325,000 Special Drawing Rights, to a single economic actor over any period of three fiscal years, which is the equivalent of £335,000 as at 2 March 2021.

An applicant may elect not to receive grants under the Small Amounts of Financial Assistance Allowance and instead receive grants only using other allowances available under this scheme. These allowances and the full scheme is outlined in the government guidance [here](#).

## 11. 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.

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