

**WINCHESTER CITY COUNCIL DISCRETIONARY GRANTS SCHEME**

**COVID-19 BUSINESS CHALLENGES GRANT**

**(CBC GRANT)**

**ELIGIBILITY POLICY - SEPTEMBER 2021**

**Summary**

This COVID-19 Business Challenges (CBC) grant scheme is aimed at those organisations and traders that have been required to close or reduce hours of operation for COVID-19 related reasons, for example this may include staff shortage due to self-isolation requirements, deep cleaning following positive COVID-19 tests/contacts, or supply chain disruptions.

It is a one-off grant to compensate Winchester district organisations for loss of income due to the **inability to fully reopen** during the six week period from 1 July 2021 to 16 August 2021.

**The on-line declaration for eligible organisations will open on Monday 6 September 2021 and close at 8am on Monday 27 September 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 Monday 11 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 (Monday to Friday 10am to 4pm)

## 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 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 across the district many local businesses, trades people and organisations (referred to as organisations collectively throughout this policy) are facing on-going challenges because of the impacts of the COVID-19 pandemic. In response to this, the city council will make available grant funding to organisations that continue to struggle to return to full levels of operation even though restriction have been eased.

## 2. COVID-19 Business Challenges Fund

This one-off grant will be allocated based on the size of the organisation as set out in the table below:

Size of organisation/number of employees	One-off Grant Payment
Self-employed / Micro: 0-9 employees	£3,500
Small: 10-49 employees	£4,500
Medium: 50-250 employees	£5,000

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>Eligible</b>	<p>Organisations with premises that have been impacted by loss of earnings because they have needed to close to customers for COVID-19 related reasons</p> <p>Self-employed / sole trader / market trader that offer face to face personal services, and need to travel to work and or enter clients' premises in order to undertake their work and are unable do so for COVID-19 related reasons</p>
<b>Qualifying level of closure / reduction hours of trading</b>	<p>Closed for 30% for its normal trading days in any rolling seven day period</p> <p>For example:</p> <ul style="list-style-type: none"> <li>- Normally open for five days in a seven day period – would need to be closed for 1.5 days</li> <li>- Normally open for seven days in a seven day period – would need to be closed for 2 days</li> </ul>

<b>Qualifying level of closure / reduction hours of trading</b>	<p>Reduced hours by 30% per day over of normal daily trading hours and for five or more days in a rolling seven day period.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>- Normally open for 8 hours a day – would need to be closed for 2.5 hours a day for five or more days in a seven day rolling period.</li> <li>- Normally open for 12 hours a day - would need to be closed for 3.5 hours a day for five or more days in a seven day rolling period.</li> </ul>
<b>Supporting evidence</b>	<p>A form of evidence for the closures/reduced hours over normal operating levels needs to be provided and can take the form of facebook announcements / website notices / social media messages etc.</p> <p>Details of normal hours / days of trading.</p>
<b>Exclusions</b>	<ul style="list-style-type: none"> <li>- Anyone in receipt of a grant payment under the Test and Trace Support Payment scheme that was previously available from the Winchester City Council.</li> <li>- Any organisation receipt of, or eligible for Restart Grant</li> <li>- Businesses that are exclusively online businesses that have been and are able to continue to trade during the required period(s) of isolation.</li> </ul>
<b>Qualifying period</b>	<p>Closures or reduced operating must have been in the six week qualifying period of 1 July 2021 to 16August 2021.</p>

In addition to the above, eligible organisations must meet all of the following:

- *appear in the organisation type list*
- *appear in the sector type list*

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

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

- Business, partnership or company that is liable for business rates
- Self-employed / 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)
- Parish council
- Community organisation, registered charity or social enterprise

**Sector type:**

Eligible organisations must operate or be a supply chain business within one or more of the following sectors:

- Retail
- Hospitality/ food and drink/ guest accommodation
- Leisure/sports
- Attractions/ events/ festivals/ entertainment venues / performing and visual arts.
- Pre-school childcare services

**3. Eligibility Criteria**

The on-line declaration will require the applicant to confirm that the organisation applying is eligible and meet the criteria as set out in this policy. Before any payments are made, pre-payment checks will be undertaken to confirm eligibility.

1. Organisations must be affected loss of earnings by closure, reduced operating hours, fewer operating days during the period 1 July 2021 to 16 August 2021.
2. The organisation being applied for must:
  - a. be based in and operate from the Winchester district. Please refer to the map of the Winchester district [here](#).
  - b. be actively trading, carrying on a trade or profession, or buying and selling goods or services in order to generate turnover.
  - c. not be in liquidation, dissolved, struck off or subject to a striking-off notice
3. A self-employed or sole trader that is not already in receipt of a grant payment under the Test and Trace Support Payment Scheme which was previously available from the Winchester City Council.

#### **4. Size Criteria**

The Covid-19 Business Challenges Grant is only applicable for organisations who are a micro, small or medium sized enterprises, as set out under the Companies Act 2006 and falling within the criteria set out below:

To be a micro organisation/self-employed, 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*

#### **5. Application Process and declaration of eligibility**

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 27 September 2021.

#### **6. Decision making**

Grant decisions will be made on a delegated basis by a group of designated officers and endorsed by a designated Discretionary Grant 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 11 October 2021.

Unsuccessful applicants who wish to appeal a decision should make their appeal in writing by Friday 29 October 2021. The appeal will be considered and a final decision made by 9 November 2021.

## **7. 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 will be subject to tax.

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

## **8. 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](#).

## 9. 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.

## 10. 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 you need help  
Please contact our Economy Team at:***  
[\*\*\*ecodev@winchester.gov.uk\*\*\*](mailto:ecodev@winchester.gov.uk)

***or***

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