**Guidance for applications to Hartlepool Borough Council’s Discretionary Additional Restrictions Grant Scheme**

1. **Background**

1.1 The government have announced a number of Business Support Grants to be administered through Local Authorities. These support schemes are in addition to direct government support including the furlough scheme, tax deferrals and business loans.

1.2 This guidance covers the criteria under which business may qualify for Hartlepool Borough Council’s Discretionary Additional Restrictions Grant Scheme.

1.3 The Additional Restrictions Grant Scheme is aimed at Businesses who have not qualified for either the Local Restrictions Grant Scheme (Open) or the Local Restrictions Grant Scheme (Closed), but who have been detrimentally affected by the national restrictions or future “Tier 3” restrictions.

**2.0 Scheme Strands**

**Strand 1 - Support for Non-Rateable In-Person Businesses**

2.1 A number of businesses that do not pay rates on a property or occupy shared premises have been required to close since they provide in-person services. These businesses may include;

* In person services such as hairdressers, nail or beauty services who rent a space within a rateable property;
* Market stalls (at one fifths the grant amount); and
* Other in person services who rent a flexible workspace within a building.
  1. Where these have been forced to close under national restrictions and/or are closed under future Tier 3 restrictions, grant support will be provided subject to receipt of application.
  2. Payment will be based on the lowest Rateable Value category i.e. under £15,000 with terms consistent with the Local Restrictions Grant (open) scheme. Payment will therefore be £934 for the period of national restrictions and £467 per 14 day period thereafter.
  3. If national restrictions continue to apply after the 2 December 2020 or if Hartlepool is placed in Level 3 restrictions or equivalent and these businesses remain closed, a further payment will be made. No new declaration will be requested from the business, although the Council will undertake checks to confirm businesses are still trading at the point of grant payment.

2.5 Grant payments to Businesses will cease if Hartlepool reverts to Tier 2 or equivalent alert level or when these business are able to re-open.

**Strand 2 - Support for Businesses who supply Retail, Hospitality, Accommodation and Leisure and whose business are affected.**

* 1. Grant support will be provided to businesses who are still open, but are components within the supply chain for the retail, hospitality, accommodation and leisure sectors. Businesses must self-declare that a significant element of their business is to supply these sectors and have been detrimentally impacted by their closure.
  2. Grant allocations will be consistent with the LRSG (Open) scheme and paid for each 28 day period beginning on 5 November 2020:
* RV £15,000 and under, £467 per 14 day period.
* RV over £15,000 and less than £51,000, £700 per 14 day period.
* RV £51,000 and over, £1,050 per 28 day period.
  1. The following types of business may be eligible;
* Food and grocery suppliers to retail, hospitality, accommodation and leisure businesses
* Service supply companies to retail, hospitality, accommodation and leisure businesses, for example;
  + Laundry providers;
  + Commercial window cleaners;
  + Transport companies such as taxi and coach companies; and
  + Marketing, consultancy and design companies.
  1. Businesses must be operating from a rateable property within Hartlepool Council area.

2.10 If national restrictions continue to apply after the 2 December 2020 or if Hartlepool is placed in equivalent restrictions, further payments may be made, dependent on the specific restrictions in place. No new declaration will be requested from the business, although the Council will undertake checks to confirm businesses are still trading at the point of grant payment.

2.11 Grant payments to Businesses will cease if Hartlepool reverts to Tier 2 or equivalent restrictions as the retail, hospitality, accommodation and leisure sector that these businesses support will be able to re-open.

**Strand 3 - Support for Large Impacted Business**

2.12 It is recognised that the payments outlined above may provide minimal support on a number of larger businesses that have been detrimentally impacted by the restrictions. In such instances there may be a strong economic argument for additional support for these businesses, in order to retain jobs within the town.

2.13 The Council will consider businesses applications from larger businesses that likely ordinarily employ in excess of 100 employees. In doing so businesses will have to provide the following base information:

* Details of the number of jobs employed pre furlough;
* A forecast P&L statement for the year confirming a forecast loss at EBITDA; and
* A business plan to demonstrate recovery is viable and achievable.

2.14 Grants, capped at £25,000 per two month period, will be provided to businesses whose application is approved. Applications are to be made direct to Business Support rather than an on-line application process.

2.15 Approved businesses will not be entitled to other discretionary grants within the Additional Restriction scheme support listed above.

**3.0 Conditions**

3.1 The following businesses are excluded from any aspect of the scheme:

* Businesses already in receipt of the Local Restrictions Support Grant (open) or the Local Restrictions Support Grant (closed);
* Businesses operating from a domestic property;
* Businesses not operating from a property with Hartlepool.

3.2 This grant is subject to EU State Aid regulations. 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 s, wuld be paid under the Covid-19 Temporary Framework for UK Authorities (threshold €800,000). From 8 December 2020 Where a business has reached its limit for aid under *de minimis* and under Section 3.1 of the Temporary Framework a Local Authority may now provide a grant to a business under Section 3.12 of the Temporary Framework provided a number of conditions are met. If you think that by receiving this grant your business will exceed the state aid limit you must let the Council know.

3.3 To be eligible business must have been trading on the 4 November 2020. Those that are in administration, are insolvent or where a striking-off notice has been made are not eligible under this scheme.

3.4 Grant income received by the business is taxable.

3.5 There will be no formal appeal process, although a decision may be reconsidered should it become clear that an error has been made.

3.6 Where the Council has reason to believe that the information that has been provided is inaccurate it may withhold or recover the grant.

3.7 An grants paid in error may be subject to clawback.

3.8 The scheme may be amended, subject to agreement, at a future date as required.

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