

1. **Additional Restrictions Grant Policy** (Pages 1 - 11)

# **BOROUGH COUNCIL OF KING'S LYNN AND WEST NORFOLK**

## **RECORD OF DECISION TAKEN UNDER DELEGATED POWERS**

This is a record of a decision taken by the officers under delegated powers and where necessary taken in consultation with members and officers.

**Delegated Power****Cabinet: 17 November 2020****Para 13:**

That authority be delegated to the Revenues and Benefits Manager, in consultation with the s151 Officer and Council Leader, to decide the discretionary criteria for government Covid-19 support schemes and discounts where they:

- Are part of a central government Covid-19 support initiative,
- Are funded by central government, and
- Will be administered by the Revenues and Benefits section

**Decision Taken**

Creation of the policy for Phase 1 of the Additional Restrictions Grant announced by government as part of the Nation Lockdown response in November 2020.

**Reasons for the Decision**

To agree the policy for awarding discretionary grants to businesses impacted by the National Lockdown in November and December 2020.

**Options considered**

The policy has been discussed with Members at Cabinet Briefing and the types of groups to be included in the policy have been considered. The policy reflects these discussions.

**Any declarations of interest and details of any dispensations granted in respect of interests.**

Not applicable

**Recommended by**

Signature



Jo Stanton, Revenues and Benefits Manager

Date 24 November 2020

**Authorisation**

Signature



Michelle Drewery, s151 Officer

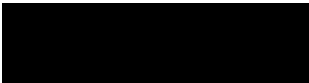
Date 24 / 11 / 2020

**Consultation with members/officers**

**If the decision is taken following consultation with the members/officers, please give details:**

Consultation with the Council Leader, Councillor Brian Long

**Signed by Member as consulted:**



Councillor Brian Long

Date 24/11/2020

# Pre-Screening Equality Impact Assessment

Borough Council of  
King's Lynn &  
West Norfolk



Name of policy/service/function	Covid-19 Additional Restrictions Grant Policy Phase 1 – November 2020				
Is this a new or existing policy/ service/function?	New				
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service rigidly constrained by statutory obligations	The policy specifies the criteria for the categories of business and trader to be paid a discretionary grant as their businesses has been affected by Covid-19.				
<b>Question</b>	<b>Answer</b>				
<p>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups <b>according to their different protected characteristic</b>, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age			√	
	Disability			√	
	Gender			√	
	Gender Re-assignment			√	
	Marriage/civil partnership			√	
	Pregnancy & maternity			√	
	Race			√	
	Religion or belief			√	
	Sexual orientation			√	
Other (eg low income)			√		
<b>Question</b>	<b>Answer</b>	<b>Comments</b>			
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	No				
3. Could this policy/service be perceived as impacting on communities differently?	No				
4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	No				
<p>5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section</p>	N/A	<b>Actions:</b>			
		<b>Actions agreed by EWG member:</b> .....Jo Stanton.....			
<b>Assessment completed by:</b> Name Joanne Stanton					
Job title Revenues and Benefits Manager	Date 23 November 2020				

## BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK LOCAL AUTHORITY

### ADDITIONAL RESTRICTIONS GRANT - DISCRETIONARY GRANT POLICY PHASE 1

November 2020

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#### 1. GUIDANCE SUMMARY

- 1.1. On 31 October 2020 the government announced it intended to support Local Authorities to administer the Additional Restrictions Grant (ARG) to support businesses in their local economies and to provide additional support to grant funding under the Local Restrictions Support Grant, allowing local authorities to develop policies to pay discretionary grants to local businesses affected by Covid-19. These grants are to be paid from the limited amount of funding made available by central government.
- 1.2. Initial guidance was issued by central government on 31 October 2020 [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/932623/V.1\\_Additional\\_Restrictions\\_Grant\\_-\\_FINAL\\_LA\\_guidance\\_03112020.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/932623/V.1_Additional_Restrictions_Grant_-_FINAL_LA_guidance_03112020.pdf).
- 1.3. This business support funding is in addition to;
  - the Local Restrictions Support Grant (LRSRG) for businesses that are required to close under the current nationwide lockdown and Local Covid Alert Level 'Very High' restrictions (LCAL 3). The funding is intended to support hospitality, accommodation and leisure businesses.
  - Local Restrictions Support Grants (LRSRG) for businesses that are still open but severely impacted by Local Covid Alert Level 'High' (LCAL 2) and 'Very High' (LCAL 3) restrictions. At this stage we do not know what tier the district will go into once the national lockdown has ended and therefore whether this support will be available.
- 1.4. The ARG support will take the form of a funding scheme in Financial Year 2020- 2021 and can be used across Financial Years 20/21 and 21/22. Under the Additional Restrictions Grant, Local Authorities will receive a one-off lump sum payment amounting to £20 per head in each eligible Local Authority when LCAL 3 or widespread national restrictions are imposed. It is estimated this will be circa £3m for the Borough Council of King's Lynn & West Norfolk.
- 1.5. Local authorities can use this funding for business support activities. We envisage this will primarily take the form of discretionary grants, but LAs can also use this funding for wider business support activities. Local Authorities can determine how much funding to provide to businesses from the ARG funding provided, and exactly which businesses to target.
- 1.6. However, it is encouraged to develop discretionary grant schemes to help those businesses which – while not legally forced to close – are nonetheless severely impacted by the restrictions put in place to control the spread of Covid-19. This could include – for example – businesses which supply the retail, hospitality, and leisure sectors, or businesses in the events sector.
- 1.7. Local Authorities may also choose to help businesses outside the business rates system, which are effectively forced to close or can demonstrate their income and

business activity has been impacted by the restrictions – for example market traders and the self-employed. Parish and Town Councils are eligible if they meet the criteria.

- 1.8. Local Authorities could use ARG funding to provide additional support to larger local businesses which are important to the local economy, on top of the funding provided to those businesses via the LRSG (Closed) scheme, with due reference to State Aid.
- 1.9. To reflect West Norfolk's economic priorities, within Phase 1 we have prioritised support for businesses with significant operations in or supplying the following sectors:
  - Hospitality, tourism,
  - Leisure, venues, events and cultural activities
  - Supply chains relating to businesses that have been forced to close
  - Businesses/sole traders outside of the business rate system
  - Businesses that are not required to close but has been severely impacted by the restrictions on socialising.
- 1.10. In addition the policy also includes certain businesses identified in the previous Discretionary Grant policies, where the business does not have a business rates account and may miss out on a grant for this reason.
- 1.11. In preparing this draft policy, Revenues and Regeneration & Economic Development section have taken into consideration enquiries received from businesses seeking support but have 'fallen through the cracks' and were not eligible for support from previous rounds of the government grant schemes and local grant schemes like the Tourism Sector Support Package.
- 1.12. This draft policy relates to the use of immediate funding support for Phase 1 for the current lockdown period. It is therefore the proposed the funding is broken into phases;

Phase 1	National Restrictions Grants for period 5 Nov – 2 Dec	£1,250,000
Phase 2	Tier 3 Grants post National Lockdown	£750,000
Phase 3	Retention to provide support in case of further economic shocks/lockdowns/restrictions during 2021/22	£750,000
Phase 4	Wider Business Support/Recovery support 2020-2022	£500,000

Depending on the level of demand and applications submitted in phase 1 or 2, consideration can be given to any remaining funds could be distributed to business that applied under the LRSG (Closed) scheme. Conversely, if demand exceeds the proposed allocations across the phases, consideration may need to be given to redistributing the allocation to provide the financial support if required.

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## 2. GENERAL ELIGIBILITY

Any business or trader wishing to claim the grant must pass the council's initial eligibility checks:

- They were trading on 4 November 2020 from the premises they are claiming the grant for,
- They are not already closed for a reason other than the Covid restrictions (such as seasonal closures),
- They were not in administration, insolvent or subject to a striking off notice either on, or since, 4 November 2020,
- They are operating or trading within the boundaries of the Borough Council's area ,

- They have fixed, ongoing, property related costs such as rent or a mortgage
- They can demonstrate they have suffered a significant fall in income due to the Covid-19 crisis which has impacted their business,
- Where a business is part of a national multiple or chain, the applicant must be able to prove that the local branch is a franchise and is not in receipt of financial support from the national business.

Any business or trader failing to meet the criteria above is not eligible to claim this Discretionary Grant. Only one grant is payable per business / trader under this policy.

#### **Exclusions:**

Businesses that 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.

All applicants will be required to complete a State Aid Declaration.

The grants cannot be claimed as a replacement for, or to supplement, the Self-Employed Income Support Scheme (SEISS) or the Job Retention Scheme (JRS).

### **3. PHASE 1 NATIONAL RESTRICTIONS: ELIGIBLE BUSINESSES**

#### **Timeframe:**

The grant applications for Phase 1 are open until 4pm on 16 December 2020 (two weeks after the end of the lockdown).

These Phase 1 grants are intended to assist businesses with financial hardship caused by the national lockdown period from 5 November 2020 to 2 December 2020. Businesses must demonstrate that the national restrictions have caused a loss of income and affected their business.

#### **Exclusions:**

Under Phase 1, businesses who qualify for the Local Restrictions Support Grant cannot also claim a grant under this policy.

Businesses who were already closed at the time the restrictions came into force for other reasons are not eligible to claim a grant, for example businesses who had ceased trading or seasonal businesses. Businesses who have chosen to close but who have not been mandated to by government are not eligible. Businesses who remain open despite being mandated to close will not be eligible for a grant.

#### **Grant Amount**

The grant will be payable per 28 day period of national lockdown restrictions and will be based on the same rateable value limits as the Local Restrictions Support Grant, as follows:

- Rateable Value up to and including £15,000 per annum = grant of £1,334
- Rateable Value between £15,001 and £50,999 per annum = grant of £2,000
- Rateable Value of £51,000 per annum and over = grant of £3,000



If the business does not have a rateable value the council will make a reasonable estimate of a rateable value based on the size of the business and its fixed property costs. 'Fixed property costs' means the rent or mortgage due on the distinct premises the business is occupying.

## **Eligible Businesses**

The following businesses or traders may apply for the Discretionary Grant providing they meet the eligibility criteria below and at Section 2.

### **LEISURE, HOSPITALITY AND SUPPLY CHAIN BUSINESSES**

Grants will be payable to businesses in supply chains who have not themselves been mandated to close, but whose primary purpose is to supply businesses who have closed. Leisure and Events businesses who directly supply the public with leisure goods and services can also claim a grant. Short term holiday let accommodation not in the business rates list may qualify if they meet certain criteria.

- **Suppliers to the hospitality industry:**
  - A grant is payable to businesses who supply other businesses who have been mandated to close. In addition to the general eligibility criteria at section 1, on 4 November 2020 the business must:
    - Be directly involved in supply of goods and services to the hospitality industry, and
    - Must demonstrate they have been significantly impacted by the forced closure of client businesses in the hospitality industry
- **Leisure & Events businesses**
  - A grant is payable to businesses wholly involved in the hospitality, leisure and events industry, including weddings and Christmas related events, who:
    - directly supply the public with leisure goods or services for events which have been severely curtailed or cancelled due to the forced restrictions put in place to restrict socialising.
- **Independent Food and Drink Retailers:**
  - A grant is payable to retailers who do not have a business rates account, and who sell food and drink directly to the public at events which have been severely curtailed or cancelled due to the forced restrictions put in place to restrict socialising.
- **Holiday Let Accommodation**
  - A grant is payable to businesses who have short term holiday let accommodation:
    - shown in council tax rather than business rates,
    - who have been forced to cancel bookings as a result of the national restrictions. .
    - Be shown in the council tax list on 4 November as a Second Home,
    - Demonstrate the property is advertised as a holiday let and bookings have been cancelled during the period 5 November – 2 December 2020 due to the national restrictions.
  - Holiday accommodation for personal use is excluded, and please see below for information regarding B&B properties

### **OTHER BUSINESSES NOT IN THE BUSINESS RATES LIST**

Businesses without a business rates account who have been mandated to close by Government may be eligible for a Discretionary Grant if they have fixed property costs and they fall into one of the following categories.

- **Regular Market Traders** who are mandated to close as they trade in non-essential goods:
  - Must be registered as a permanent market trader on the King's Lynn, Downham Market or Hunstanton markets
- **Bed and Breakfast Accommodation** in the Council Tax list:
  - The owner must be resident in the same accommodation as the Bed and Breakfast is provided from, and
  - Be regularly supplying a cooked breakfast to guests and have a Food Hygiene Certificate
- **Church Halls, Chapel Halls and Similar Buildings** exempt from the Rating List:
  - Be in regular use in connection with, and by, the same organisation occupying the place of religious worship, and
  - Would normally be shown in the Business Rates list if not exempt as a Place of Religious Worship under paragraph 11 of schedule 5 of the Local Government Finance Act 1988
- **Small Businesses within Shared Spaces:**
  - Must be based in a shared premises where the person claiming this grant is not the owner,
  - Be in a premises where the owner pays businesses rates, and,
  - Must occupy an exclusive, defined, distinct area from which to carry out their business purpose for which a rent is due

## **J: SELF-EMPLOYED / SOLE TRADERS**

A £1,000 grant is payable to individuals classified as self-employed or a sole trader whose business operation has been mandated to close due to the national restrictions, or who wholly and directly supply goods or services to a sector that has been forced to close due to the national restrictions.

### **Criteria:**

In addition to the general eligibility criteria at section 1, on 4 November 2020 the individual must:

- Be self-employed or a sole trader as defined in the Companies Act 2006
- Be a business who has been mandated to close due to the national lockdown, or who wholly and directly supplies goods or services to a sector that has been forced to close due to the national restrictions in force.
- Demonstrate "Significant fall in revenue" due to the national restrictions in force in November and December 2020
- Provide a copy of their most recent tax return, or accounts already filed at Companies House and / or their UTR (Unique Taxpayer reference) number
- Provide a copy of bank statements relating to this financial year and the previous financial year to evidence the drop in income experienced

### **Exclusions**

**The grant cannot be claimed as a replacement for, or to supplement, the Self-Employed Income Support Scheme (SEISS) or the Coronavirus Job Retention Scheme (CJRS). It can only be claimed for a reduction in trading income subject to the criteria above.**

Businesses involved in the supply of goods and services relating to sectors that have not been forced to close, or businesses who do not wholly supply these sectors cannot claim the grant.

**The grant will be £1,000 per business / trader**

## **H: MEMBER DISCRETION**

This policy allows Members to consider applications for grants from businesses, organisations and traders in exceptional circumstances wishing to claim the grant who do not meet the council's own criteria. The business, organisation or trader must still meet the government's Mandatory Eligibility Criteria as detailed in Section 1 of this policy. The other provisions of Section 1 also apply.

Under this section Members may also specify a category or class of business or organisation to receive the grant, the eligibility criteria and the amount of the grant. Awards under this section of the policy will be on an exceptional basis, and wholly at the discretion of Members.

Awards will be made on a recommendation basis by the Revenues and Benefits Manager, to be agreed by the Leader of the Council and the Cabinet Member for Business Development.

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## **4. APPLICATIONS**

Businesses must complete the online application form available on the council's website to claim the Discretionary Grant. They must also supply all the evidence requested to support their application in a timely manner. We may ask for more information if necessary to validate an application, prevent and detect fraud. We may refuse to pay a grant if the information we require is not supplied.

## **5. GRANT PAYMENTS**

Payment of the grant under this policy is entirely at the discretion of the borough council, and we reserve the right to refuse, pay or query any application or grant. There is no right of appeal against our decision to pay, or not to pay, a grant. Grant payments will only be made by bank transfer to a validated bank account. Payments will not be made unless a bank statement is provided as evidence of sort code, account number and account name.

## **6. STATE AID AND TAX**

The Discretionary Grant is classed as taxable income for those receiving it. The Discretionary Grant is also classed as State Aid as follows:

- A grant is provided under the EU law on State Aid under De Minimis rules and those claiming the grant must declare that they have not received more than €200,000 of De Minimis aid within this financial year of the past two years
- A grant is paid under the Covid-19 temporary framework for UK Local Authorities and those claiming the grant must declare that, including this grant, they have received no more than €800,000 of state aid under this framework.

## **7. FRAUD AND MISREPRESENTATION**

We will not accept fraudulent applications for the grant and will carry out checks to ensure all applications for grant payments are accurate. We may refuse to pay a grant if we suspect an application is fraudulent for any reason. We will check information at the time of application, and may also carry out spot checks at a later date, including asking for further evidence and verifying information on Companies House. We will recover any grants found to have been claimed fraudulently. We will also share the information about applications and grant payments

with other bodies as requested and allowed by law, including Her Majesty's Revenue and Customs, the Ministry of Housing, Communities and Local Government, the Department for Business, Energy and Industrial Strategy and any other government departments as required.

## **8. OTHER HELP**

The council continues to work with a wide range of partners, including New Anglia Local Enterprise Partnership (New Anglia LEP) and the New Anglia Growth Hub to provide support to businesses in West Norfolk. This includes providing information and guidance about central Government support schemes, grant schemes provided by New Anglia LEP, and introductions to other specialist providers of support and information where appropriate.