

Guidance for applications to North Tyneside Council for Local Restrictions Support Grant (Closed)

1) Introduction

This guidance sets out the criteria under which businesses will qualify to make an application to the North Tyneside Local Restrictions Support Grant (Closed) and the evidence required to support an application. Funding for this scheme is provided by Government which is aligned with the attached guidance:

<https://www.gov.uk/guidance/check-if-youre-eligible-for-the-coronavirus-local-restrictions-support-grant-for-closed-businesses>

This grant is aimed at:

- Businesses that are required to close under national 'lockdown' restrictions or Local Covid Alert Level 'Very High' (Tier 3) restrictions.
- Supply chain businesses (that may remain open) for the hospitality, accommodation and leisure businesses that are subject to the lockdown restrictions.

2) Period of Support

The grant scheme is available to cover eligible periods of 14 or 28 days of national 'lockdown' restrictions and 'Very High' restrictions.

The initial eligible period of support covers the 28-day period of national restrictions from 5 November to 2 December 2020.

Businesses will need to notify their Local Authority if they no longer meet the eligibility criteria for additional grants at any point in each 14-day grant cycle period.

3) Grant Value

The funding tiers in the table below will apply in North Tyneside, in accordance with the Government guidelines. Eligible businesses who are not business rates payers will be supported at the level of the lowest tier of support.

Rateable Value	Grant per 14-day period	Grant per 28-day period
Businesses occupying hereditaments with a rateable value of £15,000 or under	£667	£1,334
Businesses occupying hereditaments with a rateable value of £15,001 to £50,999	£1,000	£2,000
Businesses occupying hereditaments with a rateable value of £51,000 or above	£1,500	£3,000

4) Eligibility

The Government guidance gives the Council discretion over the grant scheme, and its decisions regarding the scheme will be final.

The following businesses will be eligible to apply:

- a) Businesses listed as the business rates payer of a commercial premises in North Tyneside which are required to close due to national 'lockdown' restrictions or Local Covid Alert Level 'Very High' restrictions
- b) Businesses which occupy shared commercial premises and are **not** the business rates payers and are required to close due to national 'lockdown' restrictions or Local Covid Alert Level 'Very High' restrictions
- c) Businesses that supply to, or are reliant on hospitality, accommodation and leisure businesses (which have been forced to close) for the majority of their income

Businesses may still be eligible if their primary business is closed but they are providing click-and-collect (where goods are pre-ordered and collected off the premises) and delivery services.

Businesses are **not eligible** for support if:

- They are in administration, are insolvent or where a striking-off notice has been made
- They do not qualify under state aid rules
- They are operating their business from home
- They are able to continue to trade because they do not depend on providing direct in-person services from premises and can operate their services effectively remotely (e.g. accountants, solicitors)
- They are permitted to remain open and they are not supplying to the hospitality, accommodation and leisure sector

Businesses required to close include non-essential retail, hospitality, accommodation, personal care, entertainment and leisure businesses. For a detailed list of businesses that are required to close:

<https://www.gov.uk/government/publications/further-businesses-and-premises-to-close/closing-certain-businesses-and-venues-in-england>

Definition of a hospitality business:

Restaurants, pubs, bars, social clubs, cafes.

Definition of an accommodation business:

Hotel, guest house or bed and breakfast businesses that are registered with North Tyneside Council's Environmental Health Team or a self-catering holiday unit that has an entry in the local rating list for business rates.

Definition of a leisure business

Bingo halls, betting shops, amusement arcades, adult gaming centres, bowling alleys, recreation and entertainment venues (such as escape rooms and laser quest), go-karting, cinemas, theatres, music venues, museums and galleries, model villages and visitor attractions, funfairs and fairgrounds, theme parks and adventure playgrounds, parks, aquariums, farms, wildlife centres, botanical or other gardens, stately or historic homes, castles or other heritage sites, sculpture parks, conference centres and exhibition halls, skating rinks, dance studios and fitness studios, gyms, sports courts, swimming pools, water sports venues, water parks and aqua parks, golf courses and driving ranges, shooting and archery venues, indoor playgrounds or play areas, including soft play centres and areas, trampolining centres.

The Council reserves the right to withdraw the scheme or vary the terms of the scheme at any time, and without notice, should it be necessary to do so. Where there are exceptional circumstances, the Council reserves the right to award a grant in excess of the stated grant values.

5) Evidence Requirements

In order for the application to be considered, we require businesses to demonstrate that they meet the eligibility criteria above.

To do this, you will need to declare the following in the application form:

- Company registration number (if applicable)
- Business rates account number (if applicable)
- State aid compliance including the value of the business support received over the last 3 years
- Confirmation of eligibility to the grant schemes outlined above
- A statement outlining how the businesses has been severely impacted
- Confirmation that they were trading on the date prior to the relevant restrictions and providing in-person services to customers from their business premises

If your business is not registered as the business rates payer you will need to email copies of the following additional evidence following completion of the online application:

- Evidence of business premises - this should take the form of a signed and legally compliant lease or property licence
- A bank statement from your business account dated within the last 3 months

Audit checks will take place where you may be asked to support the evidence you have supplied in your application. Should you be unable to provide satisfactory evidence, your application may be refused. If you have already received a grant, you will be required to return this to North Tyneside Council.

6) Grant Process

Applications for the grant can be made online and where appropriate, additional evidence must be emailed to business.grants@northtyneside.gov.uk within 48 hours of the initial application. Applicants will receive a confirmation email once the evidence has been received.

Payments will be made directly to approved applicants' bank accounts by electronic transfer.

There is no appeal process.

7) Miscellaneous

Grant income received by a business is taxable therefore funding paid under the Local Authority Discretionary Grants Fund will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.

The Government and the Council will not accept deliberate manipulation and fraud - and any business caught falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.

The Council does not accept any liability for any issues that may arise for businesses because of applying for, receiving, or not receiving grant payments under this scheme.

We are required by law to protect the public funds that we administer. We may use any of the information you provide to us for the prevention and detection of fraud. We may also share this information with other bodies that are responsible for auditing or administering public funds including the Cabinet Office, the Department for Work and Pensions, and other local authorities, HM Revenue and Customs, and the Police. Further information can be found [here](#).

All other grants under this scheme will be funded from the Local Restrictions Support Grants or Additional Restrictions Grant allocation North Tyneside Council has received from the Department for Business, Energy, Innovation and Skills.

Enquiries about the scheme can be emailed to: Business@northtyneside.gov.uk

8) State aid

There is a requirement for all grants made under this scheme to be state aid compliant, please see guidance below:

State Aid Requirements – North Tyneside Council Discretionary Grant Scheme. Any business seeking to receive a grant under this Scheme will, by submitting their application to North Tyneside, be required to confirm that they have read and understood the following paragraphs relating to State Aid. Businesses are also

required to make a statement that acceptance of any grant funding by them conforms with State Aid requirements.

Confirmation of State Aid received under the COVID-19 Temporary Framework for UK Authorities scheme: Following the outbreak of the Coronavirus, the European Commission has approved schemes to aid businesses affected by the Coronavirus outbreak on the basis of their Temporary Framework, including the COVID-19 Temporary Framework scheme for the UK. The maximum level of aid that a company may receive is €800 000 (€120 000 per undertaking active in the fishery and aquaculture sector or €100 000 per undertaking active in the primary production of agricultural products). This is across all UK schemes under the terms of the European Commission's Temporary Framework.

The Euro equivalent of the Sterling aid amount is calculated using the Commission exchange rate applicable on the date the aid is offered, and may be accessed here:

https://ec.europa.eu/info/funding-tenders/how-eu-funding-works/information-contractors-and-beneficiaries/exchange-rate-infoeuro_en

Any aid provided under this scheme will be relevant if you wish to apply, or have applied, for any other aid granted on the basis of the European Commission's Temporary Framework. You will need to declare this amount to any other aid awarding body who requests information from you 6 on how much aid you have received. You must retain this letter for four years after the conclusion of the UK's transition from the EU and produce it on any request from the UK public authorities or the European Commission.

Aid may be granted to undertakings that were not in difficulty (within the meaning of Article 2(18) of the General Block Exemption Regulation) on 31 December 2019, but that faced difficulties or entered in difficulty thereafter as a result of the COVID-19 outbreak. The General Block Exemption Regulation can be accessed here:

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02014R0651-20170710>

If you are an undertaking in difficulty within the meaning of Article 2(18) of the General Block Exemption Regulation you may still be entitled to de minimis aid if you have received less than €200,000 in de minimis aid in the last three years. You should contact us if you consider that you may qualify for de minimis aid on this basis. This aid is in addition any aid that you may have received under the De Minimis regulation allowing aid of up to €200,000 to any one organisation over a three fiscal year period (i.e. your current fiscal year and previous two fiscal years), and any other approved aid you have received under other State aid rules, such as aid granted under the General Block Exemption Regulation.