

## **Guidance for applications to North Tyneside Council for Outbreak Support Fund**

### **1) Introduction**

This guidance sets out the criteria under which businesses will qualify to make an application to the North Tyneside Outbreak Support Fund and the evidence required to support an application.

This grant is aimed at businesses operating out of commercial premises that are normally open to the public, but have been required to close, because of staffing shortages due to an outbreak of Covid-19.

### **2) Period of Support**

This grant covers the period from 1 June 2021 to 31 March 2022.

### **3) Grant Value**

Grants of up to £6,000 will be awarded.

A guide to the amount of grants payable is shown below. Depending on the turnover of the businesses, wastage, employees affected and length of the closure these amounts may increase or decrease.

	<b>5-10 days closure</b>	<b>11+ days closure</b>
<b>3-5 employees</b>	£1,000	£2,000
<b>5-10 employees</b>	£2,000	£4,000
<b>11+ employees</b>	£3,000	£6,000

### **4) Eligibility**

The following criteria will apply:

- Businesses must be able to demonstrate that they have been severely impacted due to a Covid-19 outbreak to qualify for grant support.
- Eligible businesses must have at least 3 employees (this can include owners or directors working in the business)
- Businesses must rely on their commercial premises being open to the public to trade (e.g. retail, bar, café, etc) and must not be able to conduct normal business from home
- Businesses must have had to close to the public due to staffing shortages relating to a Covid-19 outbreak for at least 5 days
- Businesses must have been trading (i.e. making sales) for at least 12 months

- Businesses must have been open for the four-week period prior to the relevant closure or restricted opening of the business due to the Covid-19 outbreak

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 conduct their main service because they do not depend on providing direct in-person services from premises and can operate their services effectively remotely

Businesses that occupy commercial premises but are not the registered business rates payer must also demonstrate one of the following:

- They have fixed premises costs of at least £500 per month and can evidence these regular, ongoing payments in their business bank account
- They can evidence turnover of a minimum of £50,000 in their previous year's accounts or latest tax return

## **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
- A statement outlining how the businesses has been severely impacted by the outbreak
- Confirmation that the business was trading on the date prior to the relevant closure
- Previous business accounts
- A bank statement from your business account dated within the last 3 months showing regular costs
- Evidence that staff have Covid-19 or have been required to isolate (Track & Trace app screenshot, public health letter, etc)

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. This evidence must demonstrate fixed, ongoing premises costs

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. We reserve the right to request additional evidence at any time.

Businesses can only access this fund once. Applications for further closures after payment of grant will not be accepted.

## **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](mailto: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 will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.

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.

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](#).

Enquiries about the scheme can be emailed to: [Business@northtyneside.gov.uk](mailto:Business@northtyneside.gov.uk)

## **8) Subsidy Allowance**

The domestic subsidy allowance for COVID-19 business support grants took effect on 4 March 2021 replacing the previous State Aid regulations. This refers to the amount of public funding a business can receive in any 3 year period. This scheme is covered by 3 subsidy allowances:

- Small Amounts of Financial Assistance Allowance – you're allowed up to £335,000 (subject to exchange rates) over any period of 3 years
- COVID-19 Business Grant Allowance – you're allowed up to £1,600,000
- COVID-19 Business Grant Special Allowance - if you have reached your limits under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, you may be able to access a further allowance of funding under these scheme rules of up to £9,000,000, provided certain conditions are met

Grants under these 3 allowances can be combined for a potential total allowance of up to £10,935,000 (subject to exchange rates).

Applicants receiving Government funded grants are required to declare their eligibility under the subsidy allowance regulations and confirm what previous public funding has been received. Further information on subsidy allowances is available in the Government Guidance.

<https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsgandadditional-restrictions-grant-arg-guidance-for-local-authorities>