

**TO: THE MONITORING OFFICER
(TOM CLARK, SOLICITOR TO THE COUNCIL)**

**RECORD OF ACTION TAKEN BY A CABINET MEMBER
UNDER DELEGATED POWERS**

Subject: To seek approval for the Council's Additional Restrictions Grant (ARG) Discretionary Grants Guidelines.	
Cabinet Member: Councillor Jonathon Ash- Edwards	
Has the Cabinet Member received a report prior to making the decision?	Yes
In the case of a key decision where the Cabinet Member has received a report, please state the date a copy of the report was made available to the Chair of the relevant Scrutiny Committee and placed in the public domain:	N/A
Record of decision taken: The Council Leader is recommended to: i) Approve the updated Council's Additional Restrictions Discretionary Grants Guidelines; ii) Give delegated authority to designated senior officers to make grant awards within these guidelines.	
Date of decision: 12 th January 2022	
Statement of reasons for making the decision: The Council has been given an additional £314,352 to pay additional restrictions discretionary grants to businesses within Mid Sussex. These updated guidelines seek to provide guidance to staff and stakeholders on how Discretionary Grants are to be made and what factors are considered when making an award.	
Alternative options considered and rejected: The options considered in this report are the only ones available to the Council as the Council seeks to become more transparent in the use of its discretionary financial assistance to local business during the current COVID19 outbreak of Omicron. These guidelines mirror the previous Discretionary Guidelines, which from independent feedback were successfully introduced and have been agreed by all West Sussex Local Authorities.	
Code of Conduct Interest of Cabinet Members? If yes, please advise on the nature and whether dispensation in place. No	
Is the decision to be protected from call-in? (<i>i.e</i> if any delay would seriously prejudice the Council's or the public's interest) - see Scrutiny Procedure Rule 14 (M)	Yes

If so, please state: In the current pandemic we are trying to protect local businesses impacted by the impact of COVID19 by providing discretionary grant payments to eligible businesses who meet the criteria set out in the agreed West Sussex guidelines.



Signed:.....
Council Leader

This record must be forwarded immediately to the Monitoring Officer (TC) and copied to the relevant Cabinet Member.

For Monitoring Officer

Date of publication of Member Information Service Bulletin	12 th January 2022
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Date of decision can be implemented (on the Thursday after publication of the Member Information Service Bulletin, unless already protected from call-in)	12 th January 2022
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REPORT TO LEADER

ADDITIONAL RESTRICTIONS GRANT (ARG) DISCRETIONARY GRANT GUIDELINES

REPORT OF: HEAD OF CORPORATE RESOURCES
Contact Officer: Kevin Stewart – Business Unit Leader Revenues and Benefits
Email: kevin.stewart@midsussex.gov.uk Tel: 01444 477229
Wards Affected: All
Key Decision: No
Report to: Council Leader
Date: 12th January 2022

Purpose of Report

1. To seek approval for the Council's Additional Restrictions Discretionary Grant to local businesses guidelines.

Summary

2. The Council has been given an additional £314,352 to pay additional restrictions discretionary grants to businesses within Mid Sussex. These updated guidelines seek to provide guidance to staff and stakeholders on how Discretionary Grants are to be made and what factors are considered when making an award.

Recommendations

3. **The Council Leader is recommended to:**
 - i) **Approve the updated Council's Additional Restrictions Discretionary Grants Guidelines;**
 - ii) **Give delegated authority to designated senior officers to make grant awards within these guidelines.**
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Background

4. On the 21st December 2021 the Government announced that it would provide Local Authorities with additional funding to target small businesses with high fixed property-related costs for additional restrictions discretionary grant to offset the impact of the ongoing COVID-19 pandemic with the ongoing spread of the Omicron variant.
5. Government guidance for the scheme was issued on the 30th December 2021. The Government Guidance is at <https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities>.
6. In the Governments updated guidance issued on the 30th December 2021 Local Authorities are encouraged to support businesses from all sectors that may have been severely impacted by restrictions, or by the Omicron variant, including those outside the business rates system. These may include, but are not limited to:
 - hospitality,
 - accommodation,

- leisure,
- personal care,
- the travel and tourism sector, including group travel, travel agents and tour operators,
- coach operators,
- wedding industries,
- nightclubs,
- theatres,
- events industries,
- wholesalers,
- English language schools,
- breweries,
- freelance and mobile businesses (including caterers, events, hair, beauty and wedding related businesses),
- gyms,
- and other businesses that may have not received other grant funding.

7. There is no restriction on the number of grants a business may receive, subject to subsidy limits.
8. Local Authorities are encouraged to focus their support on:
 - allocating first top-up payment: businesses from all sectors that may have been severely impacted by restrictions but were not eligible for the Local Restrictions Support Grant (LRSP) and Closed Business Lockdown Payment (CBLP) Grant schemes.
 - allocating the second two top-up payments: businesses from all sectors that may have been severely impacted by restrictions but were not eligible for the Restart Grant scheme, and those sectors that remained closed or were severely impacted by extended restrictions, even if those businesses had already been in receipt of Restart Grants.
 - allocating the third top-up payment: businesses severely impacted by the rise of the Omicron variant, see paragraph 28 of the guidance at [Omicron Hospitality and Leisure Grant: guidance for Local Authorities \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/guidance/omicron-hospitality-and-leisure-grant-guidance-for-local-authorities). These lists are not directive nor exhaustive, and Local Authorities should continue to issue grants at their discretion, based on local economic needs.
9. Applications for the discretionary scheme are open to businesses outside of the categories listed in paragraph 7 above but will only be considered once these priority applications have been processed.

10. Payments will be made to qualifying businesses of between £1 and £3,000 depending on the size of business and the extent to which each business has been impacted by COVID19. In exceptional cases a grant of between £1 and £5,000 may be paid.
11. Any business eligible for the Omicron Hospitality and Leisure Grant whether they apply or not – the guidance at [Omicron Hospitality and Leisure Grant: guidance for Local Authorities \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/102222/omicron-guidance-for-local-authorities.pdf) was also published on the 30th December 2021 - will not be eligible for the newly updated Additional Restrictions Grant published on the same date.
12. To date the Council has paid out over £48.5m to over 7,200 recipients through the Business Grants (Small Business Grants Fund, the Retail, Hospitality and Leisure Grants), the Local; Restriction Support Grants and the Restart Grants and the previous Discretionary Grant Schemes.
13. The guidelines have been agreed by all the West Sussex Local Authorities (attached as Appendix 1) and they largely reflect the previous Discretionary Grant guidelines which included feedback received from the 3 local business associations in Mid Sussex.

Next Steps

14. If this extension to the Additional Discretionary Restrictions Grants Fund Scheme is approved on or by the 12th January 2022 the application process will go live in all the West Sussex Local Authorities on the 17th January 2022 by way of an online application at <https://midsussex.grantapproval.co.uk/>.
15. The Council will, in line with all the other West Sussex Local Authorities, close the applications at midnight on the 28th February 2022 to allow time to evaluate the merits of all applications rather than operate on a first come first serve basis.
16. Between the 1st March 2022 and the 31st March 2022 officers will process the applications and designated senior officers (in consultation with members where appropriate) will decide in line with the guidelines who receives a grant and for how much. We are planning to make payment from the week beginning 7th March 2021. The designated senior officers will be the Head of Corporate Resources and the Business Unit Leader for Revenues and Benefits.
17. If the initial additional funding round is under subscribed designated officers will be able to open up further rounds until the Government fund to help local businesses during the current pandemic is fully utilised. These additional funding rounds will be published in the media including on the Council website.

Consultation

18. Consultation was led by Mid Sussex DC and took place with the following Services across all the West Sussex Local Authorities;
- Management Team

- Finance Officers
- Economic Development Officers
- Communities Officers
- Revenues and Benefit Managers

19. All comments from this consultation were acted upon but the feedback on the new Additional Grants Discretionary Grants guidelines has been extremely favourable.

Policy Context

20. Two of the Council's main priorities are Sustainable Economic Growth and Financial Independence. It is important that we provide maximum financial help to help local businesses continue to trade after COVID19. To ensure this we need to adopt guidelines for these additional funding streams that will ensure fairness and that funding from the Government is maximised to help the struggling businesses in our district survive beyond the impact of COVID19 including the recent strain of Omicron.

Other Options Considered

21. The options considered in this report are the only ones available to the Council as the Council seeks to become more transparent in the use of its discretionary financial assistance to local business during the current COVID19 outbreak of Omicron. These guidelines mirror the previous Discretionary Guidelines, which from independent feedback were successfully introduced and have been agreed by all West Sussex Local Authorities.

Financial Implications

22. The additional government grant allocated by the Department for business energy and industrial strategy (BEIS) in respect of the Additional Restrictions Discretionary Grants is £314,352. This is a cash limited grant and any expenditure incurred over and above this must be funded by the Council. There is currently no additional funding identified within the Council to support Discretionary Grants, which means that expenditure will need to be contained within the cash limited grant.
23. The Council will receive New Burdens Funding from the Government for administering the updated Additional Restrictions Discretionary Grants. The amount is still to be decided but the Council's Business Unit Leader for Revenues and Benefits is a member of the working party looking at this.

Risk Management Implications

24. There is a potential risk to the Council's reputation should any awards of Discretionary Grants payments be applied inconsistently or unfairly. However, this risk will be managed by the drafting of robust guidelines that are consistent and that will provide clear guidelines to staff making such decisions on a case by case basis and allow an element of discretion in exceptional circumstances.

Equality and Customer Service Implications

- 25.. These policies do not have a negative effect on any group and has been developed to initially help support those businesses most disadvantaged by COVID19 that have not

already received Government assistance. An equality impact assessment has not been undertaken as we will only help customers who apply for a discretionary grant and we follow clear guidelines issued by BEIS.

Other Material Implications

26. This is a Cabinet Member function.
27. There are no other material implications.

Background Papers

- Appendix 1 - Mid Sussex Additional Restrictions Discretionary Grants Guidelines

WEST SUSSEX DISTRICT COUNCIL'S

ADDITIONAL RESTRICTIONS DISCRETIONARY GRANT GUIDELINES

1. The West Sussex local authority Boroughs and Districts utilising these guidelines are:
 - Adur District Council
 - Arun District Council
 - Chichester District Council
 - Crawley Borough Council
 - Horsham District Council
 - Mid Sussex District Council
 - Worthing Borough Council
2. This guidance sets out the guidelines under which businesses in West Sussex will qualify to make an application to the Local Authority Additional Restrictions Discretionary Grants (ARG), and the evidence required to support an application, and is aligned with the government guidance for the Additional Restrictions Grant issued on 3rd November 2020 and any revisions at later dates, which can be found via this link:- <https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities>. This version covers the new updated ARG guidance issued by the Government on the 30th December 2021.
3. Therefore, for the avoidance of doubt any guidance in the Government Guidance also applies to the scheme(s) operating in West Sussex (unless stated otherwise) and should be referred to as well as these local guidelines.
4. The Government suggests that Local Authorities may wish to consider collaborating as they design their discretionary schemes to ensure there is consistency where they are working across a functional economic area. All seven Council's in West Sussex, listed above, have agreed and approved these guidelines, although it is up to each individual Local Authority which individual grants they approve based upon available resources and local priorities.
5. Individual Local Authorities in West Sussex reserve the right to review the scheme criteria to ensure that financial support is going to those most in need (which may involve additional individual local authority guidance), as well as to help businesses who provide employment to others whilst available resources allow. Please note that funding for Round 6 is very limited with individual Local Authority funding shown at

[additional-restrictions-grant.ods \(live.com\)](https://www.gov.uk/guidance/additional-restrictions-grant-ods-live-com). Individual Local Authorities reserve the right to open and close up the claim dates at different periods to the dates quoted in these guidelines.

Additional Restrictions Discretionary Grant (ARG) categories

6. Additional Restriction Grant funding is a funding payment by the Government to local authorities to be used during 2020/21 and 2021/22 to provide support to businesses affected by the COVID19 pandemic. Local authorities are also encouraged in Additional Restrictions Grant funding received before January 2022 to provide support to businesses through wider support initiatives, although primarily the support is envisaged to take place in the form of discretionary grant payments.
7. In order to provide an immediate response and emergency support to businesses impacted by the current restrictions due to Omicron the following are confirmed guidelines for distribution of Additional Restrictions Grant.

Eligible businesses:

8.1 Businesses who

- Are not entitled to any or all of the Local Restriction Support Grant (Closed Addendum) or Restart schemes or the Omicron Hospitality and Leisure Grant as they are not responsible for payment of business rates, and
- were open and trading the day before national or local restrictions were imposed or Omicron grants announced for their current claim period (eg at the start of each funding round), and
- are now required to close under national restrictions (eg non-essential market traders, Bed and Breakfast, shared workspace).

8.2 Businesses who

- Are not entitled to any or all of the Local Restriction Support Grant (Closed Addendum) or Restart schemes or the Omicron Hospitality and Leisure Grant as they are not responsible for payment of business rates, and
- were open and trading the day before national or local restrictions were imposed or Omicron grants announced for their current claim period (eg at the start of each funding round), and
- while not legally forced to close are nonetheless severely impacted by the restrictions put in place to control the spread of COVID19 eg can show a reduced footfall due to omicron (eg businesses which supply the hospitality, and leisure sectors, or businesses in the events sector).

8.3. Businesses who

- Are not eligible or did not apply under any other grant scheme, for example, may have qualified for but are waiting for a business rate valuation decision from the independent Valuation Office Agency or who began trading before or on the 5th November 2020, the 2nd December 2020, the 5th January 2021, the 16th February 2021, the 1st April 2021 or the 17th January 2022 (or a later date as applicable to

- each scheme which will be displayed on individual local authority websites)(individual local authorities reserve the right to amend these dates), and
- Were open and trading the day before national or local restrictions were imposed or Omicron grants announced for their current claim period for their current claim period (eg at the start of each funding round), and
 - Are either required to close or while not legally forced to close are nonetheless severely impacted by the restrictions put in place to control the spread of COVID19 or can show a reduced footfall due to omicron (eg businesses which supply the retail, hospitality, and leisure sectors, or businesses in the events sector, markets, Bed and Breakfast, shared workspaces), and
 - Are having to pay unavoidable fixed property costs during the period of restrictions

8.4 Businesses receiving a mandatory Local Restriction Support Grant (Closed Addendum) or Business Support or Restart schemes can also at the discretion of that Local Authority apply for Additional Restrictions Grant. Any business receiving an Omicron Hospitality and Leisure Grant is able to apply for Additional Restrictions Grant but other applicants will be given priority. Any award where other grant funding has been received is at the discretion of the individual Local Authority. It is up to the discretion of each Local Authority to issue further grant funding to previous recipients.

8.5 If a business ratepayer, then Local Restrictions Support Grant (Closed Addendum or Restart Grant) or the Omicron Hospitality and Leisure Grant scheme maximum grant levels for that grant will be applicable. If not a ratepayer Local Authority Additional Restrictions Discretionary Grant criteria applied to determine what would have been applicable under Local Authority Additional Restrictions Discretionary Grant and grants as detailed in 8.2 and 8.3 above will be applied. The West Sussex Local Authorities reserve the right to reopen the previous scheme (if Government guidelines allow) if a business or organisation genuinely missed out due to late start or valuation query.

Exclusions to Additional Restrictions or Local Restrictions Support (Open) Grant funding

9. Businesses that have already received grant payments that equal the maximum levels of State aid/Subsidy Allowance Limits permitted under the de minimis, the COVID19 Temporary State Aid Framework or COVID19 Business Grant Special Allowance. For the avoidance of doubt the Subsidy Allowance Limits from the 4th March 2021 are outlined in Appendix A. Any decisions from funding round 6 for the Additional Restrictions Grant (from the 17th January 2022) will be based on the new subsidy allowance rules.
10. For the avoidance of doubt, businesses that are in administration, insolvent or where a striking-off notice has been made, are not eligible for funding under this scheme.
11. Any business not receiving or eligible for an Omicron Hospitality and Leisure Grant – see the guidance at [Omicron Hospitality and Leisure Grant: guidance for Local Authorities \(publishing.service.gov.uk\)](https://publishing.service.gov.uk) will be given priority for the 6th round of Additional

Restrictions Grant for the period from the 17th January 2022 to the 28th February 2022 and any subsequent rounds if required.

12. Certain businesses will not be able to apply for an additional restrictions discretionary grant. This includes Air BnB, due to the limited funding amount available and the shortage of housing available within West Sussex.
13. All businesses that are trading and meet other eligibility criteria may apply to receive funding under this scheme. There is no set starting date from which businesses must have been trading in order to qualify for grant funding. However, for the purposes of this Additional Restrictions Grant Scheme businesses that were not trading on the first full day of the respective funding rounds for this discretionary grant scheme will not meet the eligibility for that funding round (they can apply for subsequent funding rounds). For the purpose of Funding Round 1 of these grants the first full day is the 5th November 2020 or for Funding Round 2 the date is the 14th December 2021, Funding Round 3 the date is the 11th January 2021, Funding Round 4 the date is the 16th February 2021, Funding Round 5 the date is the 1st April 2021 to the 30th June 2021 and Round 6 will be from the 17th January 2022 to the 28th February 2022 (further dates for further funding rounds will be displayed on West Sussex District Council websites).

Local Eligibility Criteria and Payments

14. Where a business has not been required to close and is affected such as the loss of income by COVID19 including Omicron, then the Councils in West Sussex will consider the fixed costs of that business, including rent and business rates. Where the business does not pay rent or business rates, then the Council's will consider other unavoidable business related fixed costs, and will be able to estimate the rateable value of the premises that the business is operating from. Fixed costs must normally be in the name of the business applying for a grant.
15. Local Authorities should allocate funding through business support grants or through wider business support measures if that funding provided by the Government allows. The third top-up payment provided by the Government in January 2022 should only be allocated to business support grants and should not fund wider business support measures. All funding provided under this scheme should provide direct support to businesses.
16. Local Authorities in Round 6 are encouraged to support businesses from all sectors that may have been severely impacted by restrictions, or by the Omicron variant, including those outside of the business rates system. These may include, but are not limited to:
 - hospitality,
 - accommodation,
 - leisure,
 - personal care,

- the travel and tourism sector, including group travel, travel agents and tour operators,
- coach operators,
- wedding industries,
- nightclubs,
- theatres,
- events industries,
- wholesalers,
- English language schools,
- breweries,
- freelance and mobile businesses (including caterers, events, hair, beauty and wedding related businesses),
- gyms,
- and other businesses that may have not received other grant funding.

There is no restriction on the number of grants a business may receive, subject to subsidy allowance limits.

17. Local Authorities are encouraged to focus their support on:
 - In allocating first top-up payment: businesses from all sectors that may have been severely impacted by omicron restrictions but were not eligible for the LRSG and CBLP Grant schemes.
 - In allocating the second two top-up payments: businesses from all sectors that may have been severely impacted by restrictions but were not eligible for the Restart Grant scheme, and those sectors that remained closed or were severely impacted by extended restrictions, even if those businesses had already been in receipt of Restart Grants.
 - In allocating the third top-up payment: businesses severely impacted by the rise of the Omicron variant, see paragraph 28 of the guidance at [Omicron Hospitality and Leisure Grant: guidance for Local Authorities \(publishing.service.gov.uk\)](https://publishing.service.gov.uk). These lists are not directive nor exhaustive, and Local Authorities should continue to issue grants at their discretion, based on local economic needs.
18. In taking decisions on the appropriate level of grant, Local Authorities may want to take into account the level of fixed costs of the business, the number of employees the business has, whether it is unable to trade online, the consequent scale of coronavirus losses and any financial help previously received.
19. Any business applying must be operating within the boundaries of the relevant West Sussex Council. This include where the business is temporarily working from home during the pandemic.
20. Local Councils in West Sussex will prioritise businesses and organisations that provide support to local communities within the Local Authority area, and where the restrictions have impacted on their income, that are highly like to flourish after COVID19 including Omicron.
21. Councils in West Sussex may also take into account the number of employees and the scale and risk of potential job losses, whether businesses have had to close operations and are unable to trade online, and the consequent scale of impact of COVID19 losses.
22. Businesses will be required to demonstrate that they have been severely impacted by the national or local tier restrictions or the reduced footfall caused by omicron. As well as meeting the criteria it is the intention for the discretionary additional restrictions grants to support local businesses whose intention it is to continue to trade and do business in the local area after COVID19 including from the impact of Omicron.
23. Awards will be made to cover the relevant national, local restriction period or omicron impact period, initially from the 17th January 2022 until the 28th February 2022 for the Leisure and Hospitality Grants, in line with grants paid under the Local Restriction Support Grant (Closed Addendum) or Restart schemes.

24. Whilst the payment of grants previously will not exclude a business from applying this may be a factor included when deciding to award a grant and/or the level of any grant. One grant claim can be made per property in any funding round although it is at the discretion of each individual Council to award any grant for each funding window.
25. The grant levels and eligibility criteria are presented below (these updated amounts are valid from the Additional Restrictions Grant (ARG) Funding Window 6 from the 17th January 2022:-

Category	Grant Amount
<ul style="list-style-type: none"> • Eligible mobile sole trader unable to trade (or severe loss of income due to COVID19) or local business with West Sussex registered trading address, trading on or before 17th January 2022 (or subsequent date). Only one claim will be paid. • At least £250 in rent or flexible licence fee per calendar month. Must prove unable to trade or must prove severe loss of income with ongoing costs. • Individual LA's reserve the right to amend any claim to a different category. 	<p>At the discretion of the Local Authority up to maximum of £500 per Additional Restrictions Grant (ARG) funding round.</p>
<ul style="list-style-type: none"> • Eligible market trader unable to trade or local business with West Sussex registered trading address, trading on or before 17th January 2022 (or subsequent date) • At least £250 in rent or flexible licence fee per calendar month. / Eligible market trader, unable to trade (or must prove severe loss of income) with ongoing costs. • Individual LA's reserve the right to amend any claim to a different category 	<p>At the discretion of the Local Authority up to maximum of £500 per Additional Restrictions Grant (ARG) funding round.</p>
<ul style="list-style-type: none"> • Eligible businesses occupying a commercial property on the local authority ratings list, with a Rateable Value of £15,000 or less, as at the 17th January 2022 (or subsequent date) • Where there is no Rateable Value, then businesses paying rent of £15,000 per annum (£1,250 per month) or less • If no Rateable Value or rent, then the local authority may estimate the rateable value or rent of the property where the business is based, or take into account other business related fixed costs in the name of the business, with a value of £15,000 or less per annum • Unable to trade or must prove severe loss of income. 	<p>At the discretion of the Local Authority up to maximum of £1,334 per Additional Restrictions Grant (ARG) funding round</p>

<ul style="list-style-type: none"> • Individual LA’s reserve the right to amend any claim to a different category. 	
<ul style="list-style-type: none"> • Eligible businesses occupying a commercial property on the local authority ratings list, with a Rateable Value of over £15,000 and less than £51,000, as at the 17th January 2022 (or subsequent date). • Where there is no Rateable Value, then businesses paying rent of over £15,000 and less than £51,000 per annum • If no Rateable Value or rent, then the local authority may estimate the rateable value or rent of the property where the business is based, or take into account other business related fixed costs in the name of the business with a value of over £15,000 and less than £51,000 per annum. • Unable to trade or must prove severe loss of income. • Individual LA’s reserve the right to amend any claim to a different category . 	<p>At the discretion of the Local Authority up to maximum pf £2,000 per Additional Restrictions Grant (ARG) funding round (ARG) funding round).</p>
<ul style="list-style-type: none"> • Eligible businesses occupying a commercial property on the local authority ratings list, with a Rateable Value of over £51,000 or above as at the 17th January 2022 (or subsequent date). • Where there is no Rateable Value, then businesses paying rent of £51,000 or above per annum • If no Rateable Value or rent, then the local authority may estimate the rateable value or rent of the property where the business is based, or take into account other business related fixed costs in the name of the business with a value of over £51,000 per annum • Unable to trade or must prove severe loss of income. • Individual LA’s reserve the right to amend any claim to a different category . 	<p>At the discretion of the Local Authority up to maximum of £3,000 per Additional Restrictions Grant (ARG) funding round</p>
<ul style="list-style-type: none"> • In exceptional circumstances any local authority in West Sussex may pay above the maximum amounts outlined in the above boxes to eligible businesses. • This is at the discretion of the individual Local Authority and also dependent on available resources. • Exceptional circumstances is not defined but need to meet as a minimum 2 conditions – severe loss of income and to stop job losses. • Award of exceptional amount grants may be taken into account in the awards of future grants. 	<p>At the discretion of the Local Authority up to a maximum of £5,000 per Additional Restrictions Grant (ARG) funding round.</p>

- Unable to trade or must prove severe loss of income.
- Individual LA's reserve the right to amend any claim to a different category

Additional Restrictions Grant Funding Rounds

26. The Additional Restrictions Grant Funding Windows in West Sussex Local Authorities are as follows (although the individual Local Authority can vary these dates and this will be published on their websites):-

Round 1 – 16th November 2020 to the 13th December 2020

Round 2 – 14th December 2020 to the 10th January 2021

Round 3 – 11th January 2021 to the 15th February 2021

Round 4 – 16th February 2021 to the 31st March 2021

Round 5 – 1st April 2021 to the 30th June 2021

Round 6 – 17th January 2022 to the 28th February 2022

27. Normally businesses can make one additional restrictions grant application per funding window although individual Local Authorities can restrict this.
28. Further Additional Restrictions Grant Funding Windows (if required) will be posted on all West Sussex District Council websites, whilst resources allow. Individual Local Authorities reserve the right to close any funding window early if they are oversubscribed.

The Application Process

29. The application form will be available online. This electronic form including the declaration must be fully completed with all the required evidence to be considered for a grant.
30. Applications can be made in funding windows that will be advertised by the individual Local Authority. Payments will be made by BACS. A remittance notice will be emailed to accompany any grant payment. All payments will be made by the 31st March 2022.
31. Further funding windows will be offered for further national or local lockdowns and/or other COVID grant schemes if resources are still available and still within the permitted grant claim period allowed or stated by BEIS.

Evidence Required for Discretionary Grant Fund application

32. In order for an application to be considered, we require businesses to demonstrate that they meet the eligibility criteria stated above. The more meaningful the

evidence, the more compelling the grant application will be. We anticipate that to do this, applicants will need to provide as a minimum:

- Evidence that the property is closed, or partially closed (eg a retail premise trading as click and collect only), or severely impacted by a big/notable reduction in footfall such as by the Omicron variant.
 - Proof of identity of sole trader or limited company
 - Evidence of unavoidable fixed property costs incurred by the business such as rent, rates or mortgage payments, this does not include personal or household costs. This should take the form of leases/agreements showing an obligation to pay and bank statements showing that payments have actually been made.
 - Evidence that the business falls within the criteria of those businesses required to close (or partially close) or evidence to demonstrate a substantial/notable loss in income as a result of the national restrictions. This is likely to be in the form of filed accounts for previous years and management accounts/bank statements for the current/previous periods. For example, a minimum of three months bank statements may be required.
 - Details of any registration number.
 - Confirmation of Subsidy Allowance compliance. There is a requirement for all grants made under this scheme to be subsidy allowance compliant
33. Annual property cost will include rent, mortgage payments, insurance, rates, flexible licence fees.
34. If a business is in a sector that has not been allowed to open / trade during the COVID19 crisis or if a business provides services that are not permitted due to social distancing rules or have been severely impacted by a large/notable reduction in footfall (eg due to omicron), and have not been able to move to online services, the level of income lost will be more significant to that of business still able to operate but at a reduced level. This will be considered in confirming whether a grant is awarded and the grant amount to be offered.
35. This application process will allow the Councils to undertake pre-payment checks to confirm eligibility and to allow the individual Council to determine how to use its discretion in relation to the appropriate level of grant.
36. The Councils will use their discretion in identifying the right business to receive this funding, based on the application process.
37. The Councils will ask the business to complete a declaration, or email or write to the business, stating that by accepting the grant payment, they have confirmed they are eligible under the grant scheme, and that any payments accepted will be in compliance with State Aid or Subsidy Allowance requirements.
38. Also, as a condition of funding we will expect the business applying to sign a declaration online stating that they are not committing any fraud and that they are

fully complying with any state aid or subsidy allowance limits, as well as giving the Council permission to share data to check such compliance and that these guidelines are complied with.

39. The Council will also have to share this data with the Government bodies such as BEIS to check such compliance and for monitoring purposes and by signing the declaration the applicant gives the Council permission to do this and allow Government bodies any access to the data for such checks.

Decision Making Process

40. Applications will be determined by authorised designated senior Council officers, in consultation with Executive Members where appropriate.
41. All decisions will be communicated by email or in writing to businesses. Decisions will be made as soon as possible after applications are received or the closing date for each funding round, after the receipt of further information if required, and after pre-payment assurance checks have been carried out.
42. There is no statutory right of appeal against a decision regarding discretionary business grants. Where a decision is disputed, this will be reconsidered by a different senior officer in consultation where appropriate with an elected member.
43. A business can only challenge the grant decision on a point of law through the court.

Payments of Grant and Tax

44. All payments of grant will be made by a BACS transfer to the company or business' nominated bank account. It will not be paid into other bank accounts such as rating agents. Bank accounts will be verified by the Councils counter fraud team.
45. These payments are Grants and not Loans, and therefore will not require repayment, unless paid in error or where fraudulent activity is detected.
46. Grant income received by a business is taxable therefore funding paid under the Additional Restrictions Grant scheme will be subject to tax.
47. Only businesses which make an overall profit once grant income is included will be subject to tax.
48. Grant income may also affect the amount of benefit you can or may receive.
49. Each Council reserves the right to not award a grant to landlords when evidence suggests the payment is not being passed onto the tenanted business

Liability for Business Rates

50. Also, all Councils in West Sussex will investigate if any business applying shall be liable for business rates, if not already liable, if applicable. Payment of grant funding to a successful applicant will be conditional on the business paying any business rates liabilities arising from this.

51. If the business is liable for business rates and has arrears owed to any West Sussex Council this may stop an additional restrictions discretionary grant being paid. The business may be given the opportunity to clear or make an arrangement to clear these arrears.

Managing the risk of fraud

52. The Councils will not accept deliberate manipulation and fraud and have a duty to protect the public purse. Any business that dishonestly provides false or misleading information in communication with any Council, including verbal communication, will be committing a criminal offence contrary to the Fraud Act 2006 and will be subject to a criminal investigation and criminal proceedings may be taken against them.
53. Conditionality of funding will be dependent on the business agreeing to these conditions by confirmation when they complete their electronic application form.
54. Businesses will need to notify their Local Authority if they no longer meet the eligibility criteria for additional grants (for example, if they become insolvent) and immediately return any grants incorrectly paid.
55. All information is subject to internal and external audit checks, as well as Government bodies pre and post payment checks and will also be scanned for potential fraud with approved bodies.

Sharing Information

56. By applying for a discretionary grant all applicants give authority to the West Sussex Councils to share data for efficient system administration (including within their own Authority) and to protect the Public Purse, subject to the Data Protection legislation. This will include sharing data with Sussex and other Local Authorities.
57. The Councils will be required to share data with Government Departments such as BEIS for monitoring, to protect the public purse and other reasons. By applying for a discretionary grant all applicants give authority for this.
58. The Councils are also required to provide open data, and be transparent about the use of public funding. In accordance with Data Protection Guidelines, this grant recipient data may be subject to being published on Council's websites and also subject to Freedom of Information requests.

Appendix A

COVID-19 business grant subsidy allowance

1. 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. This does not impact the limited circumstances in which State aid rules still apply under the Withdrawal Agreement, specifically Article 10 of the Northern Ireland Protocol. However, in the vast

majority of cases this will not apply. The United Kingdom remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU. BEIS Guidance for public authorities explaining the subsidies chapter of the TCA, World Trade Organisation rules on subsidies, and other international commitments can be found here:

<https://www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities>.

COVID-19 business grants subsidy allowances provided on the basis of the TCA

2. The below scheme rules should be 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.
3. There are three subsidy allowances for the COVID-19 Business Grant Schemes set out below: Small Amounts of Financial Assistance Allowance, the COVID-19 Business Grant Allowance and the COVID-19 Business Grant Special Allowance.
4. We have concluded that the COVID-19 Business Grant Allowance and the COVID-19 Business Grant Special Allowance are compatible with the principles set out in Article 366 of the TCA and are targeted, proportionate, and effective in order to remedy difficulties caused by the COVID-19 pandemic for the purposes of Article 364(3). These two allowances constitute subsidy schemes for the purposes of Article 373(4) of the TCA and the transparency requirements at Article 369 of the TCA. Local Authorities will still need to consider their own transparency obligations in relation to individual award (see paragraph 92 below).

Small Amounts of Financial Assistance Allowance

5. Grants may be paid in accordance with Article 364(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 up to 325,000 Special Drawing Rights, to a single economic actor over a rolling period of three fiscal years (the “Relevant Period”), which is the equivalent of £335,000 as at 2 March 2021. When calculating the amount of subsidy an applicant has received under Article 364(4) of the TCA in a Relevant Period, a local authority should have regard to any subsidy given under Article 364(4) and any subsidy given under Commission Regulation (EU) No 1407/2013 (the De Minimis Regulation). An applicant may elect not to receive grants under the Small Amounts of Financial Assistance Allowance and instead receive grants only using the below allowances available under this scheme.
6. The Special Drawing Right calculator here can be used to calculate the exchange rate on the day the subsidy is awarded: https://coinmill.com/SDR_calculator.html

COVID-19 Business Grant Allowance

7. Where the Small Amounts of Financial Assistance Allowance has been reached or an applicant has elected not to receive a grant under this allowance, grants may be paid in compliance with the Principles set out in Article 366 of the TCA and in compliance with Article 364(3) of the TCA under the COVID-19 Business Grant Allowance (subsidies granted on a temporary basis to respond to a national or global economic emergency). For the purposes of the COVID-19 Business Grant Schemes, this allowance is £1,900,000 per single economic actor. This allowance includes any grants previously received under other COVID-19 Business Grant Schemes using the COVID-19 Business Grant Allowance and any State aid previously received under Section 3.1 of the European Commission's Temporary Framework across any other UK scheme. This may be combined with the Small Amounts of Financial Assistance Allowance to equal £2,235,000 (subject to the exact amount applicable under the Small Amounts of Financial Assistance Allowance using the Special Drawing Right calculator, and any other support an applicant has received under the Small Amounts of Financial Assistance Allowance in the Relevant Period).

COVID-19 Business Grant Special Allowance

8. Where an applicant has reached its limit under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, it may be able to access a further allowance of funding under the COVID-19 Business Grant Schemes of up to £10,000,000 per single economic actor, provided the following conditions are met:
 - a. The Special Allowance covers only the applicant's uncovered fixed costs incurred during the period between 1 March 2020 and the date of application, including such costs incurred in any part of that period ('eligible period');
 - b. Applicants must demonstrate a decline in turnover during the eligible period of at least 30% compared to the same period in 2019. The calculation of losses will be based on audited accounts or official statutory accounts filed at Companies House, or approved accounts submitted to HMRC which includes information on the applicant's profit and loss;
 - c. 'Uncovered fixed costs' means fixed costs not otherwise covered by profit, insurance or other subsidies;
 - d. The grant payment must not exceed 70% of the applicant's uncovered fixed costs, except for micro and small enterprises (for the purposes of this scheme defined as less than 50 employees and less than £9,000,000 of annual turnover and/or annual balance sheet), where the grant payment must not exceed 90% of the uncovered fixed costs;
 - e. Grant payments under this allowance must not exceed £10,000,000 per single economic actor. This allowance includes any subsidies previously received in accordance with Section 3.12 of the European Commission's Temporary Framework or previously received under the COVID-19 Business Grant Schemes

using this COVID-19 Business Grant Special Allowance; all figures used must be gross, that is, before any deduction of tax or other charge;

- f. Grants provided under this allowance shall not be cumulated with other subsidies for the same costs.
9. An applicant must be able to provide the necessary documentation to demonstrate it is eligible for funding under this COVID-19 Business Grant Special Allowance. Local Authorities must first verify that an applicant can meet all the criteria set out under this allowance before providing further funding under this allowance.
 10. Grants provided in excess of the Small Amounts of Financial Assistance Allowance may not be granted to applicants that were defined as an 'undertaking in difficulty' (as defined in Annex C below) on 31 December 2019. In derogation to the above, grants can be granted to micro or small enterprises (as defined above) that were already in difficulty on 31 December 2019 provided that they are not subject to collective insolvency proceedings.
 11. Local Authorities must ensure the remaining applicable provisions of the subsidies chapter of the TCA are complied with. In particular, the transparency obligations under Article 369. The transparency database can be found at <https://manageuksubsidies.beis.gov.uk/>. All schemes and individual awards over £500,000 must be uploaded within six months of being granted. Any ad hoc awards of at least 325,000 Special Drawing Rights over three years to an individual beneficiary must also be uploaded within six months of being granted. For access to and any further questions on the database, please contact the BEIS subsidy control team at subsidycontrol@beis.gov.uk.
 12. For the avoidance of doubt, grants under the Small Amounts of Financial Assistance Allowance, the COVID-19 Business Grant Allowance and the COVID-19 Business Grant Special Allowance may be combined for a potential total allowance of £12,235,000 (taking into account all grants previously received under the COVID-19 business grants schemes and subject to the exact amount applicable under the Small Amounts of Financial Assistance Allowance using the Special Drawing Right calculator and the three fiscal year period applicable to the Small Amounts of Financial Assistance Allowance).