



# **Teignbridge District Council**

## **Local Restrictions Support Grant (Open)**

### **Frequently Asked Questions**

Version 2

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## Background

### **What is the purpose of this new scheme?**

This scheme is aimed at businesses that were severely impacted by the Tier 2 restrictions from 2 December to 30 December 2020. Those who were severely impacted or forced to close during the 5 days of Tier 3 restrictions will also be issued a grant through this scheme, combined with the Tier 2 payment.

### **What guidance is available?**

Whilst Government guidance sets out some mandatory eligibility criteria, it also provides scope to target the grants in accordance with local economic circumstances and priorities. These local eligibility criterion are set out in this FAQ document.

### **Who will be evaluating the applications?**

The Economic Development team will be leading on application processing with support from the Business Rates team.

### **How much has Teignbridge been allocated for this grant scheme?**

BEIS have not yet confirmed the total allocation for the Tier 2 and Tier 3 periods. A total of £668,237 has been allocated from 2 December to 19 December 2020, with the allocation to cover 20 December 2020 to 5 January 2021 yet to be announced. If we exceed our allocation, grants will continue to be paid out of our ARG allocation.

## Eligibility

### What are the mandatory criteria for this scheme?

You cannot get funding if:

- your business is in administration, insolvent or has been struck off the Companies House register
- you have exceeded the permitted state aid threshold

### What are the local criteria for this scheme?

In addition to the mandatory criteria, you cannot get funding if:

- you are eligible for or have already received a [Local Restrictions Support Grant \(C\)](#) for the Tier 2 and/or Tier 3 periods (mainly wet pubs). This does not include any LRSB or ARG applications made for the period covering the second national lockdown (5 November to 2 December 2020)
- you primarily operate and trade outside of Teignbridge
- you are using the grant to substitute lost wages or to be used as a wage supplement

The other types of business and hereditaments that are not eligible include:

- any premises where the Council consider that a Bed and Breakfast business, or similar type of property, is basically “home sharing” and advertised solely online through “home sharing” websites such as Airbnb, will not be eligible for this fund
- any properties or parts of properties used for personal use
- charitable businesses receiving other help from public funds
- schools, academies, educational establishments and premises which are publically funded
- businesses whose trade primarily comprises and/or operates from:
  - show homes
  - car parking
  - storage containers, containers or storage premises
  - yards, land or property used for storage only
  - advertising, advertising stations or hoardings
  - communication stations or telecommunication equipment
  - solar panel sites
  - ATM's, cash machines or equivalent
  - lockers or similar structures

### Does the applicant need to pay business rates to be eligible?

No. Both rated and non-rated businesses can apply

**I have already received a [Local Restrictions Support Grant \(C\)](#) or [Additional Restrictions Grant](#) for the national lockdown period (between 5 Nov and 2 Dec), can I apply for this scheme too?**

Yes. Eligible businesses are entitled to one grant per period of restrictions. This means a grant awarded for the first, second or third national lockdowns will not affect your eligibility for Tier 2 or Tier 2 grant.

**What is the definition of ‘severely impacted’?**

‘Severely impacted’ is defined as a clear and obvious drop in business income and/or trade as a result of the local tiered restrictions (between 2 Dec and 5 Jan) compared to a normal trading period prior to those restrictions. A business can evidence this by providing a bank statement for December 2020 or uploading a document proving that they supply or are supplied by a business which was forced to close or severely impacted. We welcome other types of evidence, although for the avoidance of doubt the applicant will need to explain how the document shows the business was severely impacted where this is not initially or obviously clear.

**I have not been severely impacted by the Tier 2 and/or Tier 3 restrictions as such, but my business has been affected by COVID-19 pandemic generally. Can I still apply for an ARG?**

No. Those claiming to be severely impacted must show a deterioration in income and/or trade compared to a period prior to those restrictions.

**What types of businesses are being prioritised?**

Although we will not prioritise a particular sector, the Council will particularly encourage applications from businesses in the hospitality, hotel, bed & breakfast and leisure sectors. An exemption in the Devon agreement was made for market traders (recognised by the Council) whose rents are higher than £15k a year (£1,250 a month), who will receive a higher grant award compared to applicants with lower rents.

**Can other types of businesses apply?**

Yes. All types of businesses can apply for as long as they meet the mandatory and local criteria.

**Will non-commercial organisations be eligible for this fund?**

No. Only organisations with a commercial operation (selling goods and services in a competitive market) that meet the mandatory and local criteria can apply. This can include charities with a clear commercial element.

**How are applicants prioritised?**

Grants will be issued on a first-come-first-serve basis until the scheme closes.

**Can a business apply for more than one grant?**

No. A business is only eligible for one LRSG (Open) for this period.

**Can a business with two or more premises in Teignbridge apply for two or more grants?**

No. A business is only eligible for one LRSG (Open) for this period.

**Can a business that operates in more than one Local Authority apply to grants from both?**

Applicants can apply for a grant for a business premises within Teignbridge regardless of any grants paid for other businesses premises outside Teignbridge paid by other authorities. This does not include market traders, who must claim in only one authority, the authority in which the trader conducts the majority of their trade.

**Can an applicant with two or more businesses apply for two or more grants?**

Applicants (directors/shareholders) can apply for a grant for each business, for as long as they meet the mandatory and local criteria. Applicants cannot include the costs of a particular business premises for more than one grant where that premises houses more than one of the applicant's businesses. The applicant will be ineligible for an LRSG (Open) if another one of their businesses has received a Tier 2 LRSG (Closed) for the same space (or a proportion of that space) that the business applying for an LRSG (Open) occupies.

**Is there scope to provide grants to businesses without premises costs?**

Yes. All types of businesses can apply for as long as they meet the mandatory and local criteria.

**Can the self-employed/sole traders apply?**

Yes. All types of businesses can apply for as long as they meet the mandatory and local criteria.

**Can those who work from home or work on a mobile basis apply?**

Yes. All types of businesses can apply for as long as they meet the mandatory and local criteria.

**Is there a rateable value limit for businesses receiving this fund?**

No. All types of businesses can apply for as long as they meet the mandatory and local criteria.

**Is there still an absolute limit of employees for businesses receiving this fund?**

No. All types of businesses can apply for as long as they meet the mandatory and local criteria.

### **Can businesses that started trading after 2 December 2020 apply?**

No. The mandatory criteria set out in the Government's guidance prevents local authorities from awarding grants to anyone who started trading after 2 December 2020.

## **Application Form**

### **How can businesses apply?**

Businesses will be able to apply online via the Teignbridge website. We ask businesses to carefully read all the information on the website before applying.

### **Can the Council provide an application form in paper format?**

No. The application form can only be filled in online. Customer Support can assist those struggling to complete an application form.

### **What supporting documents will applicants need to provide?**

Applicants will need to upload various documents for us to verify eligibility. A Checklist has been uploaded onto our [webpage](#) outlining everything an applicant will need to supply. Failure to provide correct and honest information could result in any grant awarded being rescinded.

### **Why are applicants being asked to provide so many reference/account numbers?**

We encourage businesses to provide as many details as they can, as this will help us to quickly resolve any anti-fraud checks at a later stage. Applicants will need to provide at least one of these reference/account numbers.

### **What happens if an applicant forgot to upload adequate information and wants to send additional documents post-application?**

Applicants can email us at [lrgopen@teignbridge.gov.uk](mailto:lrgopen@teignbridge.gov.uk) to provide additional information. They must include their case reference number in the title of the email. Failure to provide correct and honest information could result in any grant awarded being rescinded.

### **My business cannot provide a business utility bill, insurance policy or tenancy/lease agreement. What should I do?**

You are welcome to supply an invoice, receipt or proof of sale relating to an alternative business cost. This could include, for example, a lease for a company vehicle or piece of kit used for commercial purposes, or a bill for IT services. You cannot include personal or non-commercial residential costs. If your business has no fixed business costs, you are not eligible for this scheme.

**Businesses based in a residential dwelling may interpret ‘fixed business costs’ to include their house mortgages etc. Could support be given to these businesses?**

Although these types of businesses can apply (assuming they meet the mandatory and local criteria), the application form only allows applicants to input business related costs. Examples of eligible costs include utility bills, insurance costs or leases/mortgages for non-commercial residential properties. B&Bs and guesthouses can include these costs, as the property is used primarily for a commercial purpose.

## Payments

### What are the grant bands?

Grants will be awarded at various amounts depending on RV and whether the business was forced to close during the brief Tier 3 period.

| <b>Businesses forced to close in Tier 3</b> |                     |                     |              |
|---|---------------------|---------------------|--------------|
| <b>Rateable Value</b>                       | <b>Tier 2 Grant</b> | <b>Tier 3 Grant</b> | <b>Total</b> |
| Non-rated                                   | £967                | £238                | £1,205       |
| Rated £0-£15,000 RV                         | £967                | £238                | £1,205       |
| Rated £15,001- £50,999 RV                   | £1450               | £357                | £1,807       |
| Rated £51,000+ RV                           | £2175               | £536                | £2,711       |

| <b>Businesses not forced to close in Tier 3 (but severely impacted)</b> |                     |                     |              |
|---|---------------------|---------------------|--------------|
| <b>Rateable Value</b>   | <b>Tier 2 Grant</b> | <b>Tier 3 Grant</b> | <b>Total</b> |
| Non-rated   | £967                | £167                | £1,134       |
| Rated £0-£15,000 RV   | £967                | £167                | £1,134       |
| Rated £15,001- £50,999 RV   | £1450               | £250                | £1,700       |
| Rated £51,000+ RV   | £2175               | £375                | £2,550       |

### When will grants be issued?

Grants will be dispersed within three working days of the grant application being approved.

### How will an applicant know if they have been successful?

The applicant will be notified by email as to whether they have been successful and when they can expect to receive payment.

### Will grants be issued on a first come first serve basis?

Yes. We will not be issuing grants in tranches like previous schemes managed by the Council.

**Will grant payments to a particular applicant be paid out all in one go or in smaller portions over time?**

A grant to an applicant will be paid out all in one go.

**Will grants be issued on a rolling basis?**

One grant will be issued for the period between 2 December 2020 and 5 January 2021, covering the Tier 2 and Tier 3 periods. This scheme will be reopened if tiered restrictions are reimposed at a later date.

**Do applicants need to pay back the grant?**

No, only in cases where a grant was paid in error can the local authority reclaim the funds.

## Disputes

**What dispute mechanism will be in place for this grant scheme?**

There will be no right to appeal a decision which has been made by the authority. Applicants are welcome to leave complaints and comments via the usual channels.

## Scheme Closure

**When will the scheme close in Teignbridge?**

The scheme will initially remain open for a period of 4 weeks, starting from when the scheme goes live on 21 December 2020. However, we may extend the scheme or close the scheme earlier depending on demand and remaining funds.

**How will any remaining funds be allocated?**

Remaining unspent funds will be returned to Government.

## Policy

**Does this scheme have its own policy document?**

In terms of policy, the LRS (Open) scheme is regarded as an extension of the [ARG](#) scheme. As a result, the criteria set out in the ARG policy document applies to this scheme too, except in circumstances where criteria have been superseded in this document. This superseding does not alter any of the criteria applying to any other scheme.

## Additional Support

### **Is additional financial support being offered for businesses who require more than these grant amounts?**

Yes. Teignbridge District Council will be using part of its LRS (Open) allocation to fund an additional grant scheme called the Gap Grant scheme. The Gap Grant Scheme is a specialist grant scheme designed to assist businesses facing severe financial difficulty due to cash-flow issues.

To be eligible, businesses must:

- Employ at least 10 (FTE) employees on PAYE (businesses with fewer than 10 employees will be considered in exceptional circumstances)
- Be eligible for or already received either a Local Restrictions Support Grant or Additional Restrictions Grant
- Be able to evidence the business was not in financial distress prior to the COVID-19 outbreak
- Be able to evidence how much grant funding is required to cover their financial gap between the beginning and end of national/local restrictions
- Be able to explain why financial support cannot be obtained from an alternative source, like a bank for example

Businesses who meet the above criteria can [email us](#) to express their interest in the scheme.

Those who express an interest who appear to be eligible will be asked to fill out an application form and provide supporting evidence. Teignbridge District Council will seek external guidance to accredit all evidence which is submitted by the business.

The business must demonstrate a clear need for the grant and propose a grant amount which will cover the financial gap.

Grants of up to £50,000 can be requested. Requests above this amount will be considered in exceptional circumstances.

Cash-flow issues caused by business fixed costs will only be factored in from November 2020 up until 3 months from the point of submitting an application, restrictions depending.