



## **Teignbridge District Council**

# **Additional Restrictions Grants (ARG) Scheme Third National Lockdown**

## **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 forced to close (from 5 January 2021) but which are not registered for business rates.
- businesses that did not have to close but which were severely impacted by the national restrictions (from 5 January 2021).

### **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 criteria are set out in the Teignbridge policy 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?**

£2,683,260 was originally allocated for Teignbridge by the Government, with an additional top up of £1,191,777 made to help issue top up grants for the third national lockdown.

## 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/subsidy 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 \(C\) Addendum](#) for the third national lockdown. This does not include the LRSO (Open) or LRSO (Closed) scheme for the Tier 2 period.
- 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
- you have already received grant payments that equal the maximum levels of Subsidy/State Aid permitted under the de minimis and the COVID-19 Temporary State Aid Framework

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. One of the main purposes of this scheme is to include those businesses who do not have their own business rates assessment and therefore were not eligible for the LRSO (Closed) Addendum

scheme. Businesses forced to close who do have a business rates assessment should check to see if they are eligible for the LRSG (C) scheme before applying for this scheme. Businesses who have been severely impacted are eligible regardless as to whether they are rated or not.

**I have already received an [Additional Restrictions Grant](#) for the second 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 or second national lockdown will not affect your eligibility for this scheme.

**I have already received a [Local Restrictions Support Grant \(Open\)](#) for the Tier 2 and Tier 3 period (between 2 Dec and 5 Jan), 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 Tier 2 and Tier 3 period will not affect your eligibility for this scheme.

**I have already received a [Local Restrictions Support Grant \(Closed\) Addendum](#) for this current national lockdown period (from 5 Jan), can I apply for an ARG too?**

No. You cannot receive both an LRSG and an ARG for the same period of restrictions.

**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 national restrictions (from 5 Jan 2021) compared to a normal trading period prior to those restrictions. A business can evidence this by providing a bank statement for January 2020 and January 2021, or uploading a document proving that they supply or are supplied by a business which was forced to close. 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 national 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?**

The Council has decided not to limit this scheme to a particular sector or type of business. All types of businesses can apply for as long as they meet the mandatory and local criteria. 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.

**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 our allocation for this scheme has been exhausted.

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

No. A business is only eligible for one ARG 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 ARG 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. If an applicant is a director/shareholder of more than one business registered/trading at a particular address, only one of those businesses can receive a grant. The applicant will be ineligible for an ARG if another one of their businesses has received a Local Restrictions Support Grant (Closed) Addendum for the same space (or a proportion of that space) that the business applying for an ARG 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 have not started trading yet or started trading after 5 January 2021 apply?**

No. The mandatory criteria set out in the Government's guidance prevents local authorities from awarding grants to anyone who started trading after 5 January 2021.

## Access Code Letter

**How does the access code letter work?**

Businesses that were successfully awarded an ARG for the second period of national restrictions (5 November to 2 December 2020) will receive an email or letter with an access code. This will allow the applicant to submit a shortened application form for the third period of national restrictions. The form will be pre-populated with information provided in the previous application. Applicants must declare any changes in trading circumstances, costs or bank details for the period 5 Jan to 15 Feb 2021 prior to submitting the application.

**What happens if a business does not receive an access code letter?**

Businesses which have not received an access code letter are still able to apply for a grant, but the applicant must complete a full application form.

**What happens if the access code does not work?**

Businesses who are unable to use their access code are still able to apply for a grant, but the applicant must complete a full application form.

**What happens if the access code is recognised but the bank details, UTR number or Business Rates Account number does not match?**

Businesses who are unable to match their details from their previous application are still able to apply for a grant, but the applicant must complete a full application form.

## Application Form

### **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 [discretionarygrants@teignbridge.gov.uk](mailto:discretionarygrants@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 an ARG.

### **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 four fixed levels as displayed in the table below:

<b>Additional Restrictions Grant: 6 week payment and top-up payment</b>			
<b>RV</b>	<b>ARG (6 week)</b>	<b>ARG (top up)</b>	<b>Total</b>
Affected or Closed Non-Ratepayer	£1,401	£2,000	£3,401
Affected Ratepayer - RV 0 - 15k	£1,401	£2,000	£3,401
Affected Ratepayer - RV 15 - 51k	£2,100	£3,000	£5,100
Affected Ratepayer - RV 51k+	£3,150	£4,500	£7,650

### What is the difference between the 6 week payment and the top-up?

The Government has asked local authorities to issue grants per 6 weeks of national restrictions. For this initial 6 week period, the Government has also provided local authorities with additional funds to pay out top-up payments in addition to the 6 week payments.

### The third national lockdown has been extended beyond the 15 February, does this mean applicants will receive additional ARG payments?

Further access codes will be issued to all successful third-lockdown ARG applicants once it is clear the extent of time any ARG funding is to apply to. No automatic right of approval for any subsequent grant can be implied or should be assumed, and businesses may need to provide additional information to be eligible for an additional grant should national restrictions be extended or re-imposed at a later time.

### 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 the previous Discretionary Grant Scheme managed by the Council. The scheme will close if our total allocation for this scheme has been consumed. Applicants will no longer be eligible for a top-up grant once the additional top up allocation of £1,191,777 has been consumed.



**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.

**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 25 February 2021. 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 funds will be used to pay for post-national restrictions projects later in 2021 and into 2022, or to top up the Gap Grants Scheme.

## Policy

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

In terms of policy, this second ARG scheme is regarded as an extension of the first [ARG](#) scheme. As a result, the criteria set out in the first 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 ARG 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.