

Ipswich Borough Council Policy for the Covid-19 'Local Restrictions Support Grant (Open)'

22nd December 2020

Background

1. The Government has provided funding to local authorities to support businesses in Tier 2 and Tier 3 (also known as Covid High or Very High areas) which did not have to legally close, but which have been severely impacted by the local restrictions. The Local Restrictions Support Grant (Open) (LRSG (Open)) is one of these grant programmes.
2. This guidance is intended to support Ipswich-based businesses applying to Ipswich Borough Council for a grant from the LRSG (Open) Fund.
3. This guidance is applicable for as long as Ipswich is within a Tier 2 or Tier 3 restrictions area, applicable for 14-day periods from 2nd December 2020.
4. This guidance sets out the criteria under which businesses will qualify to make an application to the LRSG (Open), and the evidence required to support an application, this is aligned with the Government guidance issued on 9th December 2020.

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/942853/local-restrictions-support-grant-OPEN-dec2-2020-onwards-la-guidance.pdf)

5. National and local restrictions are legally binding restrictions imposed where the Secretary of State for Health and Social Care requires the closure of businesses under regulations made using powers in Part 2A of the Public Health (Control of Disease) Act 1984 in response to the threat posed by coronavirus and commonly as part of a wider set of measures.
6. The LRSG (Open) scheme is intended to operate alongside the separate Local Restrictions Support Grant (Closed) scheme and the Additional Restrictions Grant (ARG) scheme. Businesses may apply for this fund regardless of any other national or local Covid-19 grants or loans already received.
7. Further details on all Covid-19 grant schemes are set out at: <https://www.ipswich.gov.uk/businessratesgrant> Any questions about eligibility or which scheme to apply for should be sent to: opportunities@ipswich.gov.uk

Ipswich Borough Council LRSG (Open) scheme

Overall Principles

8. The Local Restrictions Support Grant (Open) Government guidance issued on 10th December 2020 identifies priority businesses as hospitality, hotel, bed & breakfast and leisure.
9. The Government guidance gives the Council discretion over the grant scheme, and its decisions regarding the scheme will be final.

10. Ipswich Borough Council has determined that the businesses to be prioritised for access to the Local Restriction Support Grant (Open) are:

- hospitality, hotel, bed & breakfast, leisure, restaurants, cultural and events.
- supply chain businesses that are solely or mainly reliant on these sectors.

Note: a detailed list of eligible business types is included below at Appendix A.

11. To ensure eligible businesses have opportunity to apply for the scheme, the Council are administering an application-based approach to the grants scheme to assess the eligibility and evidence as set out in this guidance.

12. The Council reserves the right to vary the terms of the scheme at any time, and without notice, should it be necessary to do so.

Eligibility

13. To be eligible to apply for a grant under this scheme, a business must:

- Be within sectors as described in paragraph 10 and Appendix A.
- Have been trading immediately prior to the Tier 2 or Tier 3 Covid-19 restrictions or national restrictions being imposed.
- Have been severely financially impacted by the Tier 2 or Tier 3 restriction measures. This means that businesses must be able to demonstrate a loss of 30% or more in December 2020 (e.g. when compared to the same period in 2019).
- Have a business address in Ipswich.

14. For the avoidance of doubt:

- (i) Businesses who have accessed previous Coronavirus grant support schemes are eligible to apply for this scheme.
- (ii) The business address can be a home address providing it is the main physical address that the business is run from.
- (iii) Businesses can have received other grants from other councils (including LRSG (Open)) and still be eligible for an Ipswich Borough Council LRSG (Open) grant.

15. All applications must be received by 5pm on 29th January 2021. Any eligible applications that are received by 5pm on 11th January 2021 should have their first grant paid by 29th January 2021. Any eligible applications that are received between 11th and 29th January 2021 should have their first grant paid by 19th February 2021.

Exclusions

16. The following businesses will not be eligible to apply for LRSG (Open):
- Businesses which have already received grant payments that equal the maximum levels of State aid permitted under the de minimis and the Covid-19 Temporary State Aid Framework
 - Companies that are in administration, are insolvent or where a striking-off notice has been made at the date of the local lockdown
 - Businesses eligible for the LRSG (Closed) scheme (i.e. from 2nd December 2020)
 - Have not been trading immediately prior to the Tier 2 or Tier 3 Covid-19 restrictions or national restrictions being imposed

Evidence required

17. For the application to be considered, we require businesses to provide the clear evidence demonstrating that they meet the eligibility criteria in paragraph 13. **If you are unable to provide satisfactory evidence your application will not be considered.** Evidence will include:
- A description of your business
 - A statement of the impact of Tier 2 (or Tier 3) Covid-19 restrictions on the business
 - Up to date bank statement for the account to which the grant will be paid; this should clearly identify the name of the account holder, sort code and account number
 - Evidence of all business income for the months December 2019 and December 2020, including bank statements for the account(s) into which all business income is paid (for businesses established since December 2019 – the 30% loss criteria will be measured against October 2020 data)
 - Confirmation of State Aid compliance
18. Information provided to support your application will be considered to determine eligibility. You may also be asked to provide additional evidence at a later date - after an initial grant has been paid - to demonstrate the on-going impact of localised restrictions to your business (i.e. beyond the end of December 2020).

Application process and decision-making

19. Applications for a LRSG (Open) Grant will need to be submitted using the online form.
20. In the event that an applicant does not have access to the online form, a Microsoft Word or PDF version can be emailed as long as a request for the form is submitted up to 48 hours prior to the tranche deadline. Requests need to be submitted by email to opportunities@ipswich.gov.uk.
21. Evidence to support the application will need to be uploaded as part of the application process. Failure to provide evidence requested on the online form, or subsequently requested by IBC staff, will invalidate an application.
22. No grant will be paid without an application being made.
23. Grant decisions will be made by the Chief Executive of the Council.
24. There is no appeal process.

25. Enquiries about the scheme can be emailed to opportunities@ipswich.gov.uk.

Resources and availability of funding

26. The Council has access to funds (£287,169) from Government to support each subsequent 14-day period of the National Restrictions.
27. Future Local Restriction Grant funding will be reviewed in line with implementation of future national and local restrictions, evolving guidance from government, business need and developing recovery programs.
28. Grants will be awarded based on the following levels (which are in accordance with national guidance):

Business type	Grant amount per 14-day period of a national closure
Business with a rateable value of £15,000 or under	£467
Business with a rateable value between £15,000 and £51,000	£700
Business with a rateable value in excess of £51,000	£1,050
Businesses without a rateable value	£467

29. Funds will be paid on a rolling basis for each 14-day period of restriction declared by Government. This will be reviewed on a regular basis.
30. In addition, in each instance the LRSG (Open) award will be increased from the level in the table above – where appropriate – so that all recipients receive at least the amount that they would have received for the same time period under the Council’s Additional Restrictions Grant scheme (the ARG scheme relevant for 1st December 2020 onwards will be considered at the Council’s Executive on 12th January 2021). This will ensure that business that fall within the categories set out in Appendix 1: (i) only need to apply to this scheme (rather than ARG as well); and, (ii) that they receive the maximum amount level of any business grants being given out by the Borough Council.
31. Successful applicants are required to notify the local authority immediately should their eligibility change during these periods.
32. This is a limited fund, meeting the criteria will not guarantee payment under this grant.
33. If the fund is oversubscribed with the applications received, the Council reserves the right to amend the grant levels, based on the applications received and approved.
34. Evidence to support the application will need to be uploaded as part of the application process. The evidence will be in accordance with paragraph 17.
35. Payments will be made directly to approved recipients’ bank accounts by electronic transfer.

36. The timeline for the grant scheme:

- Applications open 22nd December 2020
- See paragraph 15 for application timetable
- Program closes – end of March 2021 unless Government guidance changes.

Other information

37. There is a requirement for all grants made under this scheme to be state aid compliant, please see the further guidance on this at this link – [State Aid Guidance](#).
38. Grant income received by a business is taxable therefore funding paid under the Local Restriction 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.
39. 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.
40. 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.

Appendix A

List of eligible businesses – Below is a list of types of businesses that will be eligible for the LRSG (Open) grant scheme. This list is derived from Government guidance and not all of these will be present within the borough of Ipswich. There may also be some business types that do not appear below, for example within the culture or events sector. Any queries about eligibility should be sent to: opportunities@ipswich.gov.uk

Hospitality

Drive-In Restaurants
Drive-Thru Restaurants
Food Courts
Public Houses/Pub Restaurants
Restaurants
Takeaways
Cafes
Cafes/Restaurants Within/Part of Specialist Property

Hotels/B&Bs

Caravan Parks
Caravan Sites and Pitches
Chalet Parks
Coaching Inns
Country House Hotels
Guest & Boarding Houses
Hostels
Hotels
Lodges
Holiday Homes (Self Catering)
B&Bs

Leisure

Bingo Halls
Bowling Alleys
Casinos and Gambling Clubs
Cinemas
Clubhouses
Clubs & Institutions
Ice Rinks
Museums and Art Galleries
Roller Skating Rinks
Stately Homes & Historic Houses
Theatres