

# **Chesterfield Borough Council Additional Restrictions Grant Scheme – Addendum (April 2021)**

## **1.0 Introduction**

- 1.1 On 31 October 2020, the Government announced the introduction of a new funding stream known as the Additional Restrictions Grant. This funding stream enables Local Authorities to provide additional support to businesses which are under national and local restrictions because of the coronavirus pandemic. The Additional Restrictions Grant can be used to provide discretionary business grants to businesses which are located within Chesterfield Borough and to support wider business support activities in the area.
- 1.2 On 5 January 2021, the Government announced further funding to Local Authorities to enable them to provide ongoing support to businesses following the introduction of further national lockdown restrictions.
- 1.4 The Council had originally been allocated funding of £3,029,832 for this grant scheme, to be used across the financial years 2020/2021 and 2021/2022.
- 1.5 However, in the March 2021 budget, the Government advised that further Additional Restrictions Grant money would be made available to businesses but that local authorities would not receive this additional funding until their existing Additional Restrictions Grant funds have been utilised.
- 1.6 The Additional Restrictions Grant scheme has been reviewed in line with the latest Government guidelines, so that the availability of grant funding can be maximised for the benefit of Chesterfield businesses. This addendum sets out the revised eligibility criteria for the Additional Restrictions Grant and the evidence which will be required to support new applications.

## **2.0 Scope of the Fund**

- 2.1 The Government guidance issued on 4 November 2020 gives the Council discretion over the Additional Restrictions Grant scheme.

2.2 Additional Restrictions Grant funding will be prioritised to the following sectors:

2.2.1 £669,000 of the grant funding has been set aside to support small and micro businesses in the leisure, hospitality and personal care sectors, and other non-essential retail businesses. The eligibility criteria will remain as defined in the scheme addendum approved on 25 January 2021.

2.2.2 £500,000 of the grant funding has been set aside to support businesses in the supply chain of those businesses forced to close due to the national lockdown and who have seen a reduction in their turnover as a result. The eligibility criteria will remain as defined in the scheme addendum approved on 25 January 2021.

2.2.3 £500,000 of the grant funding has been set aside to support businesses who have been severely impacted by the coronavirus pandemic and need further help to cover their property costs. The Council will consider applications from businesses in non-essential retail, hospitality, leisure, personal care, and those businesses in the supply chain for these sectors. Priority will be provided to those businesses who have not received a business support grant previously.

2.2.4 The Council reserves the right to re-allocate funds across these sectors to ensure grant awards are effectively utilised.

2.2.5 The Council will utilise the remaining £1,000,000 of Additional Restrictions Grant to provide further immediate support to businesses.

2.2.6 Up to £600,000 will be made available to provide a closed business lockdown grant payment of £4000 to small and micro businesses who have been in receipt of an additional restrictions grant payment from 5 January 2021 and who have had to close.

2.2.7 Regular additional restrictions grants have been paid to eligible businesses up to and including 31 March 2021. However, as most businesses will not be reopening until 12 April 2021, up to

£160,000 will be made available to provide an additional 14-day grant payment covering the period 1 April 2021 to 14 April 2021.

2.2.8 £240,000 will be set aside to support business resilience initiatives across the borough of Chesterfield.

### **3.0 New Scheme details**

- 3.1 Applicants who have already been awarded an Additional Restrictions Grant will not be required to reapply for the closed business lockdown payment or the additional 14-day grant payment which will be made available to cover the national restrictions which will remain in place from 1 April 2021 to 12 April 2021. Eligibility for this additional grant support will be reassessed automatically.
- 3.2 Applicants who wish to apply for new micro and small business grants, supply chain grants, or who may wish to claim additional hardship grants in addition to their micro and small business grants, should do this via the 'My Chesterfield' customer portal. This can be accessed from the Council's website at [www.chesterfield.gov.uk](http://www.chesterfield.gov.uk). If a business needs help to apply they can call our Customer Service Centre on 01246 345345, and our Customer Services Advisors will be able to assist.
- 3.3 Grants will be paid within 7 days of grant approval.
- 3.4 The Council will review the Additional Restrictions Grant scheme on a quarterly basis, up to 31 March 2022, to ensure that available funds from government are maximised and are fully utilised for the benefit of local businesses. Further information about the eligibility criteria for future releases of Additional Restrictions Grant funding will be publicised at the appropriate time.
- 3.5 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.

### **4.0 Subsidy Allowances**

- 4.1 The EU State Aid rules no longer apply to subsidies granted in the UK post 31 December 2020. On 4 March 2021, new subsidy allowances were established for the COVID 19 business grant schemes. Applications made prior to 4 March 2021 are subject to the previous

EU State Aid rules. The new subsidy scheme is covered by three subsidy allowances:

- Small amounts of financial assistance allowance – businesses are allowed up to £335,000 (subject to exchange rates) over the latest and previous two fiscal years
- COVID-19 business grant allowance – businesses are allowed up to £1,600,000 over the latest and previous two fiscal years
- COVID-19 business grant special allowance – if you have reached your limits under the small amounts of financial assistance allowance and COVID-19 business grant allowance, you may be able to access a further allowance of funding under these scheme rules of up to £9,000,000, provided certain conditions are met.

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

## **5.0 Other information**

- 5.1 Grant income received by a business is taxable, therefore funding paid under the Additional Restrictions Grant scheme will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.
- 5.2 The Government and Chesterfield Borough 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.
- 5.3 Businesses are required to declare that by accepting the grant payment, they confirm that they meet the criteria for the grant scheme and that the information they have provided is accurate.
- 5.4 Businesses are required to declare that any payments accepted will follow Subsidy Allowance Requirements.
- 5.5 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.

5.6 Enquiries about the scheme should be emailed to [grants@chesterfield.gov.uk](mailto:grants@chesterfield.gov.uk)