



**South  
Derbyshire  
District Council**

**COVID-19 ARG Round Two Discretionary Grants  
Events & Festivals Summer Rescue Scheme  
&  
Discretionary Restart Scheme (Round 2)  
Policy & appeals process**

Version 4 – 3 December 2021

<b>Version</b>	4
<b>Date</b>	3 December 2021
<b>Amend notes v2</b>	Exclusion update and section 3.3
<b>Amend notes v3</b>	Extension of events and festivals policy to registered B&Bs Events and festivals – clarification re main source of income clarification Events and festivals - clarification re striking off notices
<b>Amend notes v4</b>	Deadline date for both schemes – 31 December 2021 Addition of children’s nurseries – Discretionary Restart

*The Government guidance on which this document is based may be subject to ongoing change and, as such, this document may also be subject to change. The District Council is not liable if any of the changes affect the eligibility of any business for any of the COVID-19 grants.*

# 1. About the grant funding and grant schemes

Further to the lifting of national restrictions in April 2021, the Government has announced further Additional Restrictions Grant (ARG) funding to support business across the district.

South Derbyshire District Council has received an additional £646,081 that it will invest across two new discretionary grants schemes from 2 August 2021 onwards:

- **£200,000 Events & Festivals Summer Rescue Scheme** – see page 3
- **£100,000 Discretionary Restart Scheme (Round 2)** – see page 7.
- The remaining funding will be used to support existing applications that were not fully processed under the first round of the Discretionary Closed/Open and Restart grant schemes – see section 3.9.
- General information about both grant schemes – see page 13 onwards.

The grants will be awarded on a first-come-first-served basis, and when the funding has been exhausted, no further grants will be payable, regardless of the potential eligibility of any applicant.

Applications will not be considered complete and accepted until the applicant has provided all the necessary information to the Council. A standard set of evidence will be requested, but the Council will make the final decision on the evidence that is required, as this may differ on a case-by-case basis, depending on the circumstances of each business and alternative evidence may be requested where standard evidence is not available.

Should a complete application be submitted after an incomplete application, the complete application will be deemed to have been submitted first and will be processed and awarded grant funding first, subject to eligibility. Should the funding be exhausted whilst an incomplete application is awaiting evidence, it will not be eligible for funding.

The grants do not need to be paid back and are designed to help businesses cope with the continued impact of COVID-19. The grants are however subject to tax.

The grants are funded by Government and are being distributed in South Derbyshire by South Derbyshire District Council.

# 1. Events & Festivals Summer Rescue Scheme

An initial sum of £200,000 has been set aside to support up to 80 Small & Medium Sized Enterprises (SMEs<sup>1</sup>) involved in events, festivals, and event support who have been impacted by the continued COVID restrictions.

The scheme will give out one-off grants of £5,000 to businesses with premises (rated only) and £2,500 to businesses with unrated premises or those that are home-based or mobile to help support the ongoing costs of businesses.

## 1.1 About the grants

The scheme will award out one-off grants of £5,000 to SMEs based in South Derbyshire in the following categories:

### Event and festival management companies

**This can include businesses who claimed a Restart Grant (main) or a Round 1 Discretionary Restart Grant.** Round 2 Discretionary Restart Grant claimants are not eligible to apply.

### Wedding and event organisers

**This can include businesses who claimed a Restart Grant (main) or a Round 1 Discretionary Restart Grant.** Round 2 Discretionary Restart Grant claimants are not eligible to apply.

### Suppliers to the performing arts, festival, weddings, funerals etc industry

**This can include businesses who claimed a Restart Grant (main) or a Round 1 Discretionary Restart Grant.** Round 2 Discretionary Restart Grant claimants are not eligible to apply. Suppliers will have to demonstrate their trading income (2019/2020) was more than 70% reliant on weddings and/or events etc. Please note exclusions apply for personal care businesses and accommodation providers.

### Rated venues whose main business is an event venue

**This can include businesses who claimed a Restart Grant (main) or a Round 1 Discretionary Restart Grant.** Round 2 Discretionary Restart Grant claimants are not eligible to apply. Venues will have to demonstrate their trading income (2019/2020) was more than 70% reliant on weddings and/or events etc. In the case of new businesses, a visit may be required to demonstrate that the business is more than 70% reliant on the event industry for its trade. Registered B&Bs without or with function rooms may apply, but exclusions apply for other accommodation providers without function rooms.

### Independent travel agencies

**This can include businesses who claimed a Restart Grant (main) or a Round 1 Discretionary Restart Grant.** Businesses will need to demonstrate they are independent (vs part of national chain). Can include home-based travel agencies.

Successful applicants will be able to demonstrate that their total trading income for 2020/2021 was less than their total trading income for 2019/2020 to qualify. They will also be able to provide evidence of cancelled events or bookings. B&Bs and independent travel agencies only do not need to demonstrate their dependence on the events and festivals sector.

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<sup>1</sup> Small & Medium Sized Enterprises (SMEs) are businesses that have under a certain number of employees – in the UK, this is defined as less than 250 employees. SMEs need to meet two of the following three criteria to be defined as an SME: A turnover of less than £25 million, fewer than 250 employees and gross assets of less than £12.5 million.

## 1.2 Exclusions

- Any business not based in South Derbyshire.
- Any business that began trading after March 2020<sup>2</sup>.
- Any business that cannot demonstrate a loss of income between 2019-2020 and 2020-2021<sup>3</sup>.
- Any business that cannot provide evidence of cancelled bookings or events during 2020-2021.
- Any business that applies for, or is awarded, a Round 2 Discretionary Restart Grant (see page 7 and Appendix 1).
- Large (non-SME) businesses (i.e. those with more than 250 employees).
- Rated venues whose main business is a publicly accessible public house, bar, restaurant or café etc. This includes venues that have function room(s), but do not rely on them for their main income.
- Hotels & self-catering apartments without function rooms may not apply.
- Halls for hire, including village halls and non-rated land that hosts events and festivals.
- Travel agencies part of a national chain of 5 or more stores/businesses. Independently owned franchises are eligible.
- Personal care businesses that provide a service, treatment or activity for the purposes of personal beauty, hair, grooming, body care and aesthetics, and wellbeing. This includes hairdressers and beauticians who provide a wedding/proms service – such businesses should apply for a Discretionary Restart Grant (see page 7).
- The grant is not a wage replacement scheme and must be used to fund the ongoing costs of your business.
- Any business that has exceeded the maximum subsidy allowance (formerly known as State Aid).
- Businesses that are in administration, insolvent or where a striking-off notice has been made (regardless of the reason for it) at the point of grant determination are not eligible. If a notice is later removed, the business may be eligible which will be at the discretion of the district council and based on evidence the company still continues to trade. Any decision made in relation to this will not be grounds for appeal.
- Businesses renting premises from companies that are controlled by some or all of the same individuals will not normally be eligible.
- Businesses occupying unrated premises in the grounds of a private home where rental costs are not payable, or are paid to the home-owner who is also the business owner. Businesses renting such premises from individuals that are not linked to them in any way (i.e. family members) may be eligible, subject to the Council's discretion.
- Any business that is suspected of having gained other grant funding under false pretences or is suspected of fraud or manipulation to gain public funds.
- Car parks, parking spaces, premises occupied for personal use only or vacant premises.
- Businesses that aim to close shortly after the grant award – this will be subject to SDDC discretion.
- Landlords who do not operate the business from within the property in question (see 3.3 for landlord/tenant situation).
- Property developers, doctors, banks, building societies, cashpoints, bureaux de change, short-term loan providers and post office sorting offices.
- Individuals who cannot demonstrate that the business is their sole or primary source of income. Income from pensions is not included as a source of income.

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<sup>2&3</sup> If a business began trading during 2020/2021, the Council cannot guarantee it will award a grant to such a business as it was knowingly established during the pandemic within an industry that was set to be heavily affected and will have no significant trading data to evidence loss of income. The Council will however consider any such applications on individual merit and request necessary additional evidence to back up any claim.

### 1.3 About the grant amounts

The following grants are available to qualifying businesses:

Business type	Grant	Notes
Businesses with premises (rated*)	£5,000	Businesses will have to provide evidence of rental agreement and rent payments to qualify.
Home-based, mobile businesses or businesses in unrated premises	£2,500	Businesses will have to provide evidence of at least £100 per calendar month fixed costs.

**\*Please note**, the rateable value of businesses with rated premises will not affect the grant awarded.

### 1.4 How to apply

To apply for an **Events & Festivals Summer Rescue Scheme Grant**, please fill in the [online application form](#).

Please ensure you have the following evidence handy to upload as part of your application form.

#### Minimum evidence list:

- Photo ID (eg. passport or driver's licence).
- Your national insurance number (NINO) – required for all applicants.
- Your unique tax reference (UTR) – if you submit a self-assessment tax return.
- Valid business insurance certificate.
- Evidence of cancelled bookings during 2020/21 – this can include emails from customers cancelling events or evidence of deposits paid/refunded (please note the Council will spot check event cancellations).
- A copy of your rental agreement/evidence of payment of rent and/or fixed costs.
- Either of the following:
  - A set of accounts for 2019/2020 and 2020/2021 signed off by a qualified accountant that demonstrates loss in income, plus three-months of bank statements from January 2021 – April 2021. Bank statements must show business/personal name, address, bank account number and sort code. **Please note:** Bank account extracts, online/mobile screengrabs or partial statements will not be accepted.
  - If you cannot provide sets of accounts, we will require a minimum of six-months of bank statements from January 2020 - April 2020 and January 2021 - April 2021, plus a signed declaration that the business made a loss in income between 2019/2020 and 2020/2021. **Please note:** Bank account extracts, online/mobile screengrabs or partial statements will not be accepted.
  - If a new business had not started trading at any point during 2019/2020, **the Council cannot guarantee it will award a grant to a new business that was established during the pandemic** within an industry that was set to be so heavily affected. The Council will consider any such applications on individual merit and request necessary evidence to back up any claim. **See section 3.2 for more information**
- **For food and alcohol businesses only** – copies of licences/inspections held.
- **For suppliers to the performing arts, festival, weddings, funerals etc industry only** – evidence that more than 70% of your business was reliant on weddings and/or events etc in 2019/2020. This can include a written statement and client/booking list or calendar.
- **For rated businesses whose main business is an event venue** - evidence that more than 70% of your business was reliant on weddings and/or events etc in 2019/2020. This can include a written statement and client/booking list or calendar.

### Non provision of evidence

Applications will not be considered complete and accepted until the applicant has provided all the necessary information to the Council. A standard set of evidence will be requested, but the Council will make the final decision on the evidence that is required, as this may differ on a case-by-case basis, depending on the circumstances of each business and alternative evidence may be requested where standard evidence is not available. Should a complete application be submitted after an incomplete application, the complete application will be deemed to have been submitted first and will be processed and awarded grant funding first, subject to eligibility. Should the funding be exhausted whilst an incomplete application is awaiting evidence, it will not be eligible for funding.

**If you have any problems uploading the evidence, please email it to [business.grants@southderbyshire.gov.uk](mailto:business.grants@southderbyshire.gov.uk). Please include the name of your business in the subject heading.**

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### How to set up a free Egress account at [www.egress.com](http://www.egress.com)

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You will then receive an activation code to your email which you will need to copy and paste into the next screen. Once you have done this you will reach your personal Egress dashboard.

To send us the email, click on 'New secure email' under Web Access in the left-hand column. This will open up an email window for you to send us the information.

## 1.5 Deadline for applications

**The deadline for applications is 31 December 2021\*.**

\*Only applications that have provided the minimum evidence required (see 1.4 on page 5) will be considered to have been accepted.

Any applications that have not submitted the minimum evidence required (or alternatives as suggested by the Council) will not be considered to have been fully submitted, and as such may not be processed/receive grant funding. This will be at the discretion of the Council and not grounds for appeal.

As such, we recommend you apply as soon as possible and ensure you follow the instructions at 1.4 (page 5).

## 2. Discretionary Restart Scheme

An initial sum of £100,000 has been set aside to extend the Discretionary Restart Grant Scheme to support up to 83 SME<sup>4</sup> businesses based in South Derbyshire that have been impacted by the continued COVID restriction to help support the ongoing costs of businesses.

### 2.1 About the grants

The scheme will give out one-off grants of between £1,200.15 and £8,100 to:

#### Unrated businesses that had to **close during lockdowns**

- Businesses that operate from a premise that had to **close during lockdown**, but do not pay business rates (for example businesses in shared office spaces, rent-a-chair hairdressers or non-essential market traders).
- Mobile or home-based businesses that had to **cease trading during lockdown** (such as mobile beauticians or driving instructors).
- **Business will only be eligible if they have not already benefitted from a Round 1 Discretionary Restart Grant or an Events & Festivals Summer Rescue Grant (see Appendix 1).**
- *Closed rated businesses are not generally eligible for a Discretionary Restart Grant as they should have benefitted from the Government's rated scheme that has now ended (31 July 2021). That said, any new rated businesses that set up after 1 April 2021 may be considered if they can demonstrate an ongoing rental commitment to a rated premises.*

#### Rated and unrated businesses that were able to **open during lockdowns**

- Businesses that operate from a rated premise and were **able to open** during the lockdowns, but whose trade was affected because they rely on closed businesses/industries (for example recruitment agencies).
- Ratepaying businesses that operate from a rated premise and were **able to open** during the lockdowns, but whose trade was affected because they rely on individuals working in closed businesses/industries (for example staff on furlough) for their trade – e.g. children's nurseries/day care.
- Businesses that operate from an unrated premise (for example a shared business space), were **able to trade** during the lockdowns, but whose trade was affected because they rely on closed businesses/industries (for example taxi operators).
- Mobile and home-based businesses that were **able to trade** during the lockdowns, but were affected by closed businesses or industries or social distancing measures (such as event management or training companies).
- **Business will only be eligible if they have not already benefitted from a Round 1 Discretionary Restart Grant or an Events & Festivals Summer Rescue Grant (see Appendix 1).**

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<sup>4</sup> Small & Medium Sized Enterprises (SMEs) are businesses that have under a certain number of employees – in the UK, this is defined as less than 250 employees. SMEs need to meet two of the following three criteria to be defined as an SME: A turnover of less than £25 million, fewer than 250 employees and gross assets of less than £12.5 million.

## 2.2 Exclusions

- Any **premises-based** business that was not trading/preparing to trade on 31 March 2021<sup>5</sup>.
- Any **home or mobile based business** that was not trading/preparing to trade on 4 November 2021.
- Any business not based in South Derbyshire, or whose main trading does not occur in a fixed location within South Derbyshire (for example market traders who operate on district markets), or who cannot demonstrate weekly trading in South Derbyshire prior to the November lockdown.
- Any business that applies for or is awarded an Events & Festival Summer Rescue Scheme (see page 3).
- Large businesses (i.e. those with more than 250 employees).
- The grant is not a wage replacement scheme and must be used to fund the ongoing costs of your business.
- Any business that has exceeded the maximum subsidy allowance (formerly known as State Aid).
- Businesses that are in administration, insolvent or where a striking-off notice has been made and covers the 1 April 2021 date – please note that if a notice is later removed that business will remain ineligible.
- Businesses renting premises from companies that are controlled by some or all of the same individuals will not normally be eligible.
- Any business that is suspected of having gained other grant funding under false pretences or is suspected of fraud or manipulation to gain public funds.
- Car parks, parking spaces, premises occupied for personal use only or vacant premises.
- Businesses that aim to close shortly after the grant award start date (1 August 2021) – this will be subject to the Council’s discretion.
- Land-based business operating from agricultural property.
- Landlords who do not operate the business from within the property in question (see 3.3 for landlord/tenant situation).
- Property developers, doctors, banks, building societies, cashpoints, bureaux de change, short-term loan providers and post office sorting offices.
- Nurseries or childcare providers must be rate paying businesses/eligible for the Nursery Discount. After school clubs/wrap around care etc provided by voluntary organisations etc will not be eligible for funding.

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<sup>5</sup> If a premises-based business has established since 1 April 2021, the Council cannot guarantee it will award a grant to a new business that was established during the pandemic within an industry that is affected by ongoing restrictions/social distancing measures. The Council will however consider any such applications on individual merit and request necessary evidence to back up any claim



## 2.3 About the funding strands and grant amounts

In line with the Government's Restart Grant Scheme, there are two funding strands that recognise certain businesses will likely take longer to reach full operation as the COVID-19 restrictions lift. The strands for the Discretionary Restart Scheme include wider business definitions, which include but are not limited to:

### Strand one:

- Non-essential retail (such as market traders or online retailers).
- Mobile tradespeople (such as cleaners or electricians).
- Unrated or home-based recruitment agencies.
- Unrated garages/showrooms.
- Engineering/fabrication/carpenters/manufacturers etc.
- Mobile or unrated animal groomers.

### Strand two:

- Hospitality (such as cafés in shared spaces and chefs).
- Holiday accommodation (unrated situations).
- Pub tenants (unrated situations).
- Personal care (such as rent-a-chair hairdressers and beauticians).
- Leisure, gym and sports (such as personal trainers or coaches).
- Driving instructors, taxis and chauffeurs.
- Kennels and catteries.
- Children's nurseries/daycare.
- Coach companies.

**One-off grants will be awarded to eligible businesses as follows:**

### Strand one

Rateable value	One-off grant
Below £15,000 or no rateable value (including home and mobile businesses)	£1200.15
£15,001 - £50,999	£1,800
£51,000+	£2,700

### Strand two

Rateable value	One-off grant
Below £15,000 or no rateable value (including home and mobile businesses)	£3,600
£15,001 - £50,999	£5,400
£51,000+	£8,100

- Please note grant is not a wage replacement scheme and must be used to fund the ongoing costs of your business.

## 2.4 How to apply

To apply for a **Discretionary Restart Grant**, please fill in the [online application form](#).

Please ensure you have the following evidence handy to upload as part of your application form.

### Minimum evidence list (all applications):

- Photo ID (eg. passport or driver's licence).
- Your national insurance number (NINO) – required for all applicants.
- Your unique tax reference (UTR) – if you submit a self-assessment tax return.
- Valid business insurance certificate.
- **For food and alcohol businesses only** – copies of licences/inspections held.
- **For premises-based businesses only** – a copy of your rental agreement/evidence of payment of rent (if applicable).
- **For mobile or home-based businesses** - details of your fixed costs (for example car rental or machine costs) and evidence of these.

### Minimum additional evidence list (for businesses that could trade legally during lockdowns):

- A set of accounts for 2019/2020 and 2020/2021 signed off by a qualified accountant that demonstrates a loss in income, plus three-months of bank statements from January 2021 – April 2021. Bank statements must show business/personal name, address, bank account number and sort code. **Please note:** Bank account extracts, online/mobile screenshots or partial statements will not be accepted.
- If you cannot provide sets of accounts, we will require a minimum of six-months of bank statements from January 2020 - April 2020 and January 2021 - April 2021, plus a signed declaration that the business made a loss in income between 2019/2020 and 2020/2021. **Please note:** Bank account extracts, online/mobile screenshots or partial statements will not be accepted.
- If a new business had not started trading at any point during 2019/2020, **the Council cannot guarantee it will award a grant to a new business that was established during the pandemic** within an industry that was set to be so heavily affected. The Council will consider any such applications on individual merit and request necessary evidence to back up any claim. **See section 3.2 for more information**

### Non provision of evidence

Applications will not be considered complete and accepted until the applicant has provided all the necessary information to the Council. A standard set of evidence will be requested, but the Council will make the final decision on the evidence that is required, as this may differ on a case-by-case basis, depending on the circumstances of each business and alternative evidence may be requested where standard evidence is not available.

Should a complete application be submitted after an incomplete application, the complete application will be deemed to have been submitted first and will be processed and awarded grant funding first, subject to eligibility. Should the funding be exhausted whilst an incomplete application is awaiting evidence, it will not be eligible for funding.

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## 2.5 Deadline for applications

### **The deadline for applications is 31 December 2021\*.**

\*Only applications that have provided the minimum evidence required (see 2.4 on page 10) will be considered to have been accepted.

Any applications that have not submitted the minimum evidence required (or alternatives as suggested by the Council) will not be considered to have been fully submitted, and as such may not be processed/receive grant funding. This will be at the discretion of the Council and not grounds for appeal.

As such, we recommend you apply as soon as possible and ensure you follow the instructions at 2.4 (page 10).

## 2.6 Assessment criteria for open claims

Applications submitted by businesses that were allowed to open/trade during the lockdowns will be assessed against the following criteria, and businesses must be able to demonstrate all of the following to receive a grant:

Criteria	Definition	Evidence
<b>Sector</b>	Be operating in/supplying goods and services to closed sectors or be affected by the circumstances of individuals working in closed sectors. For definitions of closed sectors please go to the <a href="#">Government website</a> . For businesses supplying closed businesses, more than 50% of revenue must normally come from businesses required to close within the defined sectors.	Declaration Bank statements Orders/bookings
<b>Scale of Coronavirus losses</b>	Be able to provide evidence of a severe reduction in turnover/income of 20% or more, due to lockdowns/tiered measures. Businesses that have chosen to close, but not been legally required to do so, must be able to demonstrate their business has closed as a result of a reduction in business caused by the pandemic – for example cancelled orders or contracts.	Declaration Accounts Bank statements Cancelled orders/bookings
<b>Level of fixed costs</b>	Be able to evidence ongoing fixed costs including rent and (where applicable) rates, insurance, utilities and commercial mortgage interest payments. Businesses with a monthly rent or equivalent of less than £100 per calendar month will not be eligible. The relevant property should be wholly or mainly used for the qualifying, or broadly similar, purposes.  Self-employed individuals working from home/mobile must be able to demonstrate some ongoing business costs (telephone, insurance, marketing costs etc).	Declaration Accounts Bank statements Lease/rental agreement Mortgage payments Utility, insurance, etc bills
<b>Ability to adapt</b>	Be able to demonstrate that the ability of the business to adapt to successfully trade online, work from home, etc has been limited. Businesses that have been able to trade and operate their services effectively and have not suffered losses are not eligible.	Declaration
<b>Sole/primary source of income</b>	For self-employed individuals, be able to demonstrate the business is their sole or primary source of income. Income from pensions is not included as a source of income.	Declaration Bank statements
<b>Business size*</b>	Only SME businesses (including micro, small and medium sized businesses) are eligible. Large businesses with a turnover of more than £25million and more than 250 staff are not eligible.	Declaration Accounts Payroll

*\*A micro business satisfies two or more of the following requirements: Turnover not more than £632,000; A balance sheet total of not more than £316,000; A headcount of staff of not more than 10.*

*\*A small business satisfies two or more of the following requirements: Turnover not more than £10.2million; A balance sheet total of not more than £5.1million; A headcount of staff of less than 50.*

*\*A medium business satisfies two or more of the following requirements: Turnover not more than £25million; A balance sheet total of not more than £12.5million; A headcount of staff of not more than 250.*

*\*Anything above the medium criteria is classed as a Large business.*

## 3. General information about both grant schemes

### 3.1 About multiple premises

The grant will be paid to the rate payer or business owner.

Where a closed business operates multiple non-rated premises that have each had to be closed to the public – for example holiday accommodation, only one grant will be paid per business initially (i.e. a grant will not be paid per premises). This differs from previous schemes and is due to the fact that the Council has limited funds. If the ARG funds are not exhausted before the Government spending deadline, the Council may revisit this decision towards the end of the scheme and award a grant per premises.

Where a business operates additional premise(s) that have not had to close (i.e. a storage facility or management office/suite), a grant will not be payable on the premise that has not had to close.

Where a closed business operates out of multiple non-rated premises, for example a home-based events company that also has a non-rated storage facility, only one grant will be payable per business.

Open businesses will only be paid one grant per business, regardless of the number of premises they own/operate.

### 3.2 About newly formed businesses that have not yet opened

Whilst the grants are designed to support businesses that were trading prior to a national lockdown/tiered measures, we recognise that there are businesses in our district that were in occupation of a premises and were planning their opening during lockdowns, and as such their projected income will have been affected by the Coronavirus restrictions.

Whilst **we cannot guarantee we will be able to support such businesses**, we would encourage them to email [business.grants@southderbyshire.gov.uk](mailto:business.grants@southderbyshire.gov.uk) outlining their circumstances and we will consider such cases on an individual basis.

### 3.3 About public houses with shared arrangements

The Council understands that varying business arrangements are in place in public houses across the district. Examples the Council has experienced include tenants who maintain the rates liability and operate a profit share with their landlord, and conversely landlords who retain the rates liability and operate a profit share with their tenants.

Under both circumstances it is accepted that both landlord and tenant may have been impacted by the closure/restrictions imposed by COVID.

Where a landlord/tenant can demonstrate a profit share arrangement is in place, it is possible that the non-rate-paying party may be able to apply for a discretionary grant, in addition to the ratepayer having received a non-discretionary grant, and each claim will be considered on its own merit. Grant amounts awarded may differ from stated amounts.

Where a landlord owns a property, does not retain the rates liability, and cannot demonstrate it operates a profit share with their tenant, they will not be eligible for a discretionary grant. All discretionary grants awarded in such circumstances are at the Council's discretion. Decisions made in relation to such grant applications are not subject to appeal.

### 3.4 About business data/privacy

In order to fulfil our obligations and award payments to eligible claimants it will be necessary to verify whether the bank account you have told us about is open and belongs to the business/person proposed. For the purpose of validating your payment, we will share your information with external partners such as the National Fraud Initiative (NFI) to help prevent fraud, which is allowed by law. Using this data, the NFI will facilitate Experian Finance PLC being able to verify the information you have given us and return a score indicating the strength of the match of data provided. As part of the process, we will also provide data to the Department for Business, Energy, and Industrial Strategy. We will also share data internally for the purpose of fulfilling our obligations as a Local Authority, an example of which would be for the Revenues team to share the data with the Customer Management team.

**For further information about how your personal information will be used, please visit [www.southderbyshire.gov.uk/privacy](http://www.southderbyshire.gov.uk/privacy) where you can see a full copy of our Privacy Notice.**

### 3.5 About processing and fraud checks

All grant claims will be processed through a series of checks, including checks against our business rates database and checks using the Government Spotlight anti-fraud software.

The district council reserves the right to verify/put on hold any claim to enable detailed checks to be carried out.

Any suspected fraud cases will be investigated by our partners Derby City Council Anti-Fraud team.

Any business caught falsifying their records to gain a grant will face prosecution and any funding issued will be subject to claw back.

To find out how we will record, process and store your data, please read our data protection statement at [www.southderbyshire.gov.uk/businessdata](http://www.southderbyshire.gov.uk/businessdata)

### 3.6 About payment of the grants

Businesses that are eligible for a grant(s) will receive payment into their designated bank account, provided as part of the application process. No paperwork will be issued with the grant.

If claimants require grant payment documentation, they should email [business.grants@southderbyshire.gov.uk](mailto:business.grants@southderbyshire.gov.uk). Please note the documentation may take some time to provide as we process other grants.

### 3.7 Declining the grant

Eligible businesses can decline the grant. Should the business later decide to claim the grant and the deadline has passed/the fund has expired, the Council will not be liable to the business for not having claimed the grant.

Any business that will exceed their Subsidy Allowance level (formerly State Aid) by receiving the grant must declare it and not accept the grant. This is the responsibility of the business.

### 3.8 Appeals process

Businesses can appeal the decision made by the authority in relation to grants. All appeals must be made in writing and sent to: Business Grants Appeals, South Derbyshire District Council, Civic Offices, Civic Way, Swadlincote, Derbyshire, DE11 0AH or emailed to [business.grants@southderbyshire.gov.uk](mailto:business.grants@southderbyshire.gov.uk)

Appeals will be considered by the Strategic Director of Corporate Resources. The decision made at appeal will be final.

If all discretionary funds have been exhausted before an appeal is determined, the business will not be eligible for a grant and the Council will not be responsible for the business missing out on grant funds

### 3.9 Subsidy Allowance (replaces State Aid)

The EU State aid rules no longer apply to subsidies granted in the UK following the end of the BREXIT 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.

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-uksinternational-obligations-on-subsidy-control-guidance-for-public-authorities>

Following BREXIT, new subsidy allowances were established for the COVID19 business grants schemes, on the basis of the principles set out in Article 3.4 of the TCA. Updated COVID-19 business grants subsidy allowances provided on the basis of the TCA.

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.

There are three subsidy allowances for this scheme set out below: Small Amounts of Financial Assistance Allowance, the COVID-19 Business Grant Allowance and the COVID-19 Business Grant Special Allowance.

**Small Amounts of Financial Assistance Allowance.** Grants may be paid in accordance with Article 3.2(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 325,000 Special Drawing Rights, to a single economic actor over any period of three fiscal years, which is the equivalent of £335,000 as at 2 March 2021. 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.

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](https://coinmill.com/SDR_calculator.html)

#### **COVID-19 Business Grant Allowance**

Where the Small Amounts of Financial Assistance Allowance has been reached, grants may be paid in compliance with the Principles set out in Article 3.4 of the TCA and in compliance with Article 3.2(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 these scheme rules, this

allowance is £1,600,000 per single economic actor. This allowance includes any grants previously received under the COVID-19 business grant schemes 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 £1,935,000 (subject to the exact amount applicable under the Small Amounts of Financial Assistance Allowance using the Special Drawing Right calculator).

### **COVID-19 Business Grant Special Allowance**

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 these scheme rules of up to £9,000,000 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 31 March 2022, 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 £9,000,000 per single economic actor. This allowance includes any grants previously received in accordance with Section 3.12 of the European Commission's Temporary Framework; 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.

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.

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' 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.

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 3.7. The transparency database can be found at <https://manageuksubsidies.beis.gov.uk/>

If a grant is awarded under the Small Amounts of Financial Assistance Allowance, Local Authorities must ask the recipient whether, when cumulated with any De Minimis State Aid or Small Amounts of Financial Assistance that the business has received in the last three years, the grant will mean that the recipient has received more than 325,000 Special Drawing Rights (approximately £335,000 at the time of writing).



If it has, then the grant must be declared on the BEIS transparency database within six months of it being made.

If the grant is awarded under the COVID-19 Business Grant Allowance or the COVID-19 Business Grant Special Allowance, Local Authorities must ask the recipient whether, when cumulated with any other grant under the allowances, the recipient has received more than £500,000. If it has, then the grant must be declared on the BEIS transparency database within six months of it being made.

For access to and any further questions on the database, please contact the BEIS subsidy control team at [subsidycontrol@beis.gov.uk](mailto:subsidycontrol@beis.gov.uk).

Local Authorities still need to comply with reporting requirements to the European Commission in respect of grants previously granted under the European Commission's Temporary Framework before the Transition Period ended on 31 December 2020.

### **General**

BEIS may vary the terms of these schemes or suspend or close the schemes with immediate effect, without notice and at any time.

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 £10,935,000 (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).

## **3.10 Existing/incomplete applications**

In order to qualify for a further ARG payment the Government required the Council to spend the full amount of ARG round 1 funds by 31 July 2021.

This meant that a number of applications from round 1 could not be completed on time – for example where they were submitted just before the relevant deadlines with the relevant evidence\*.

Because of this, a sum of funding has been set aside to process these grant applications in line with the grant schemes that were applicable at the point of their application:

- Open grant scheme
- Closed grant scheme
- Discretionary Restart Grant Scheme (round 1).
- Rescue grant recipients<sup>6</sup>

If the funds set aside to support existing applications are not fully exhausted, additional funds will then be allocated to the current schemes as detailed in this document - Events & Festival Summer Rescue Scheme & Discretionary Restart Scheme (Round 2).

If you submitted an application prior to the deadline dates, and were informed the Council would process your claim when it had received the next round of ARG funding, please be advised the Council is

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<sup>6</sup> **Rescue grant recipients (ARG Round 1).** Please note, that all rescue grant recipients (who have not been transferred into another applicable scheme) will now be assessed for a Discretionary Restart Grant which will be awarded under Round 1 of the scheme. Any events and festival rescue grant recipients may also be assessed for an Events & Festival Summer Rescue Scheme if applicable.

now processing these applications, which could take up to 8 weeks to process (from 2 August 2021), and will be in touch to request any further details, as necessary.

If you are unsure whether your application is set to be processed, or want to double check, please email [business.grants@southderbyshire.gov.uk](mailto:business.grants@southderbyshire.gov.uk)

With regards to backdated payments, the following deadlines are applicable:

Full application (including all required evidence) submitted	Will be assessed for funding
16 April 2021	Grants from November 2020 onwards, depending on eligibility
31 May 2021	Grants from 16 February 2021 onwards, depending on eligibility
30 June 2021	Discretionary Restart (Round 1)

**\*Please note:** Where applications were submitted in ARG Round One (Open, Closed, Rescue & Discretionary Restart) to the incorrect grant fund, or were submitted with no evidence, or where the Council has attempted to contact the applicant but has not received the required response/evidence, these applications will be considered null and void, and the applicants will have no claim to backdated funds.

The Council will however endeavour to contact these applicants and encourage them to reapply under Round Two, where they will be considered as a first-time application and will be bound by the conditions/restrictions of ARG Round Two funding. Decisions in relation to this will be subject to the Council's discretion and there will be no grounds for appeal.

### 3.11 Changes to this document

The Government guidance on which this document is based has been subject to ongoing change and, as such, this document may also be subject to change. All major changes will be subject to approval by the council's Strategic Director for Corporate Resources, Finance & Corporate Services and will be noted on the front of this document against a relevant version number.

The District Council is not liable if any of the changes affect the eligibility of any business for any of the COVID-19 grants, and in the case of appeals, the version of the guidance in place at the time the appeal is considered will be considered the correct version.

### 3.12 Any questions

Email [business.grants@southderbyshire.gov.uk](mailto:business.grants@southderbyshire.gov.uk)

ENDS

## Appendix 1 Eligibility table

Type of recipient	Can they apply for Summer Events & Festivals?	Can they apply for Round 2 Discretionary Restart	Notes
<b>APPLIED AND RECEIVED FUNDING ALREADY (ROUND 1)</b>			
Received Closed Rated grant (inc. Restart)	YES	NO	Potentially eligible businesses are encouraged to also apply for the Summer Events & Festival Grant Scheme (Round 2).
Received Closed Unrated grant inc. Discretionary Restart – Round 1*)	YES	NO	Potentially eligible businesses are encouraged to also apply for the Summer Events & Festival Grant Scheme (Round 2).
Received Open Grant (inc. Discretionary Restart – Round 1*)	YES	NO	Potentially eligible businesses are encouraged to also apply for the Summer Events & Festival Grant Scheme (Round 2).
Received Rescue Grant(s)*	YES	NO	Eligible Rescue Grant Recipients were awarded their Discretionary Restart Grant under Round 1. <b>Potentially eligible businesses are encouraged to also apply for the Summer Events &amp; Festival Grant Scheme (Round 2).</b>
<b>APPLIED IN ROUND 1 BUT NOT YET RECEIVED FUNDING</b>			
Will receive Closed Unrated grant inc. Discretionary Restart – Round 1*)	YES	NO	If an outstanding claim is successful, it will be awarded under Round 1. <b>Potentially eligible businesses are encouraged to also apply for the Summer Events &amp; Festival Grant Scheme (Round 2).</b>
Will receive Open Grant (inc. Discretionary Restart – Round 1*)	YES	NO	If an outstanding claim is successful, it will be awarded under Round 1. <b>Potentially eligible businesses are encouraged to also apply for the Summer Events &amp; Festival Grant Scheme (Round 2).</b>
Will receive a Rescue Grant(s)*	YES	NO	If an outstanding claim is successful, it will be awarded under Round 1. <b>Potentially eligible businesses are encouraged to also apply for the Summer Events &amp; Festival Grant Scheme (Round 2).</b>
<b>NEW APPLICATIONS</b>			
Summer Events & Festival applicants/recipients	YES	NO	New applicants can only apply for one of the Round 2 schemes.
Discretionary Restart Grant (Round 2) applicants/recipients	NO	YES	New applicants can only apply for one of the Round 2 schemes.

\*Any Discretionary Restart Grants paid before 1 August 2021 were paid in ARG Round 1. All Rescue Grants form part of Arg Round 1.