



Harlow Council

Essex Additional Business Support Scheme

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Definitions

The following definitions are used within this document:

‘Additional Business Support’ A grant which provides funding for the purpose of providing financial support to businesses who have been excluded from existing National and Local Covid-19 financial support schemes and/or where income, including financial support, has been unable to cover business costs;

‘Additional Restrictions Grant (ARG)’ means the additional funding provided by Government. Funding will be made available to eligible Local Authorities at the point that national restrictions are imposed or at the point the Local Authority first entered LCAL 3 local restrictions;

‘COVID-19’ (coronavirus) or pandemic; means the infectious disease (or pandemic) caused by the most recently discovered coronavirus;

‘Department for Business, Energy & Industrial Strategy (BEIS)’; means the Government department responsible for the scheme and guidance;

‘Local Covid Alert Level’ (LCAL) means the level of alert determined by Government and Local Authorities for the area. LCALs have three Tiers. Tier 1 (Medium): Tier 2 (High) and Tier 3 (Very High). For the purposes of these schemes the definitions used are LCAL1, LCAL2 and LCAL3;

‘Local rating list’; means the list as defined by Section 41 of the Local Government Finance Act 1988;

‘Local lockdown’; means the same as **‘Local restrictions’;**

‘Local restrictions’; and **‘Localised restrictions’** means legally binding restrictions imposed on specific Local Authority areas or multiple Local Authority areas, where the Secretary of State for Health and Social Care requires the closure of businesses in a local area 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;

‘Local Restrictions Support Grant Scheme (Closed)’; means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 9th September 2020 and amended on 9th October 2020 and which is applicable to businesses forced to close under either LCAL3 or where national restrictions are in place;

‘Local Restrictions Support Grant Scheme (Closed) Addendum’; means the changes made to the Local Restrictions Support Grant Scheme (Closed) due to widespread nationwide restrictions;

‘Ratepayer’; means the person who, according to the Council’s records, was the ratepayer liable for occupied rates in respect of the hereditament at the date of the local restrictions or widespread national restrictions;

'State Aid Framework'; means the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020;

'Subsidies'; means the Government's replacement scheme for the previous state aid framework;
and

'Temporary Framework for State aid'; means the same as the **'State Aid Framework'**.

1.0 Purpose of the Scheme and background.

- 1.1 The purpose of this document is to determine eligibility for a payment under the Essex Additional Support Grant Scheme. Harlow Council is responsible for payment of these grants.
- 1.2 This discretionary grant scheme has been developed by the Council in conjunction with Essex County Council
- 1.4 The purpose of the scheme is to provide funding f to businesses who have been excluded from existing National and Local Covid-19 financial support schemes and/or where income, including financial support, has been unable to cover business costs.

2.0 Funding

- 2.1 Funding has been provided to the Council by Essex County Council and is limited. The Council therefore reserves the right to end the scheme when funds are exhausted.

3.0 Eligibility criteria and awards

- 3.1 To qualify as an eligible business that may receive additional support, the business must meet the criteria set out below and not be an excluded business as defined within this policy.
- 3.2 An eligible business must self-certify that each of the criteria set out below is met in full:
- (a) The business was trading on 1st January 2020, prior to the commencement of the pandemic and evidence of trading will be required to support any application;
 - (b) The pandemic has adversely affected the business e.g. reductions to customer numbers/sale numbers and a consequential erosion to their cash flow position such that meeting day to day working capital requirements has become unaffordable and unsustainable;
 - (c) The business is located within Harlow in Essex (there is no requirement to be occupying rateable premises);
 - (d) The business has been excluded from accessing other Covid-19 financial support schemes or where income, including financial support has been unable to cover fixed costs; and
 - (e) The business falls into at least one of the categories listed below.
- 3.3 The applicant's business **must fall into at least one** of the categories below to be eligible to receive Additional Business Support:
- A business which forms part of the direct supply chain for hospitality, leisure or accommodation businesses including tourism;
 - A business which supplies non-essential retail;
 - A business which forms part of the direct supply chain for aviation businesses;
 - A business which directly organises, facilitates or performs at organised events;
 - A business which supplies to organised events;

- A business that is not within rating list, that has been forced to close either due to mandatory restrictions or due to the temporary closure of their host premises (including non-essential market traders);
- A business which can demonstrate a heavy reliance on the ability for people to travel;
- Any business which relies on close physical contact (e.g. personal care workers, hair and beauty, driving instructors, taxi drivers etc.);
- Newly self-employed who set up a business after 6th April 2019, who have not been able to receive support as part of the Self-Employment Income Support Scheme (SEISS); and
- Limited company directors who are not located in rateable premises and who cannot furlough themselves and continue to work to save their business.

3.4 In addition to the criteria in 3.3 above, the business must also qualify as one of the following:

- **“Micro”** as defined by s384A (and not excluded by s384B) of the Companies Act 2006; or
- **“Small”** as defined by s382 and 383 (and not excluded by s384) of the Companies Act 2006; or
- **“Medium-Sized”** as defined s465 and 466 (and not excluded by s467) of the Companies Act 2006;

3.5 The business must have all up-to-date and relevant certificate(s) to show compliance with laws and regulations relevant to its trade (for example a food hygiene certificate, a licence to sell alcohol, permission to operate a pavement seating area, trading authority).

3.6 In addition, business must ensure, and will continue to ensure, adherence to all COVID regulations.

Awards

3.7 The maximum award available under this scheme is £5,000 per eligible business.

3.8 The amounts awarded to eligible businesses will be based on the size of their business and will not exceed the following thresholds:

- Eligible Micro businesses (0-4 employees) – £1,500
- Eligible Micro businesses (5-9 employees) - £3,000
- Eligible Small businesses (10-49 employees) – £4,000
- Eligible Medium businesses (50-249 employees) – £5,000

Excluded businesses

3.9 The following businesses will not be eligible for any Additional Support Grant:

- Businesses which have shared directors with another business which has already received an Additional Support Grant under this scheme;

- Businesses which have shared directors with another business which has already received an Additional Restrictions Grant under the Council’s policy;
- Businesses that primarily operates in any of the following sectors; agriculture forestry or fishing; mining or quarrying; electricity, gas, steam and air conditioning supply; water supply or sewerage; construction; financial and insurance activities; information and communication activities; real estate activities; education; or social work activities. Businesses primarily operating in manufacturing will only be eligible where it is demonstrated that supplying aviation, hospitality, leisure or accommodation businesses provides a significant proportion of their overall revenue; and
- Additional Business Support shall not be made available to businesses that were in administration, insolvent, or where a strike-off notice had been made on or before the date that the business applied to receive a payment.

The Effective Date

3.10 The effective date for eligibility is the commencement of this scheme.

Who can receive the grant?

3.11 The person who will receive the grant will be the person who, according to the Council’s records, was the ratepayer in respect of the business at the effective date. Where there is no entry in the rating list for the business, the Council will have discretion to determine who should receive the grant.

3.12 Where the Council has reason to believe that the information it holds about the applicant at the effective date is inaccurate, it may withhold or recover the grant and take reasonable steps to identify the correct applicant.

3.13 Where, it is subsequently determined that the records held are incorrect, the Council reserves the right to recover any grant incorrectly paid.

3.14 Where any business misrepresents information or contrives to take advantage of the scheme, the Council will look to recover any grant paid and take appropriate legal action.

4.0 How will grants be provided to Businesses?

4.1 The Council is fully aware of the importance of these grants to assist businesses and support the local community and economy. The Council’s Additional Support Grant scheme together with the Additional Restrictions Grants (ARG) scheme will offer a lifeline to businesses who are struggling to survive during to the COVID-19 crisis.

4.2 Details of how to obtain grants are available on the Council’s website:
<https://www.harlow.gov.uk/coronavirus/businesses>

4.3 In all cases, businesses will be required to confirm that they are eligible to receive the grant.

4.4 The Council reserves the right request any supplementary information from businesses, and they should look to provide this, where requested, as soon as possible.

4.5 An application for an Additional Support Grant is deemed to have been made when a duly completed application form is received via the Council's online procedure.

5.0 Subsidies and EU State Aid

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

5.2 The United Kingdom remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU.

5.3 The Council can still pay out subsidies under previously approved schemes and this includes subsidies related to COVID-19 that have previously been given under the EU State aid Temporary Framework.

6.0 Scheme of Delegation

6.1 The Council has approved this scheme.

6.2 Officers of the Council will administer the scheme and the Section151 Officer is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with Government guidance.

7.0 Notification of Decisions

7.1 Applications will be considered on behalf of the Council by the Revenues and Benefits Service.

7.2 All decisions made by the Council shall be notified to the applicant either in writing or by email. A decision shall be made as soon as practicable after an application is received.

8.0 Reviews of Decisions

8.1 The Council will operate an internal review process and will accept an applicant's request for a review of its decision.

8.2 All such requests must be made in writing to the Council within 14 days of the Council's decision and should state the reasons why the applicant is aggrieved with the decision of the Council. New information may be submitted at this stage to support the applicant's appeal.

8.3 The application will be reconsidered by a senior officer, as soon as practicable and the applicant informed in writing or by email of the decision.

9.0 Complaints

9.1 The Council's 'Complaints Procedure' (available on the Council's website) will be applied in the event of any complaint received about this scheme.

10.0 Taxation and the provision of information to Her Majesty's Revenues and Customs (HMRC)

10.1 The Council has been informed by Government that all payments under the scheme are taxable.

10.2 The Council does not accept any responsibility in relation to an applicant's tax liabilities and all applicants should make their own enquiries to establish any tax position.

10.3 All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to businesses.

11.0 Managing the risk of fraud

11.1 Neither the Council, nor Government will accept deliberate manipulation of the schemes or fraud. Any applicant caught falsifying information to gain grant money or failing to declare entitlement to any of the specified grants will face prosecution and any funding issued will be recovered from them.

11.2 Applicants should note that, where a grant is paid by the Council, details of each individual grant may be passed to Government.

12.0 Recovery of amounts incorrectly paid

12.1 If it is established that **any** award has been made incorrectly due to error, misrepresentation or incorrect information provided to the Council by an applicant or their representative(s), the Council will look to recover the amount in full.

13.0 Data Protection and use of data

13.1 All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available on the Council's website.