



## **NORTH KESTEVEN DISTRICT COUNCIL**

### **ADDITIONAL RESTRICTION GRANT – Omicron Impact (ARG-OI) - business 'severely impacted' by Plan B Restrictions and Omicron (in December 2021)**

#### **Policy**

**20th January 2022**

#### **1. Introduction**

Government announced on the 21<sup>st</sup> December 2021 a further top up allocation to the ARG for Local Authorities to support businesses that were being affected by the rise of the new Omicron virus. Funding can be awarded at Local Authority discretion to support businesses severely impacted by restrictions or by the impact of the Omicron variant.

The Hospitality and Leisure sector targeted through the Omicron Hospitality and Leisure Grant (OHLG) has a long supply chain not least in the food and drink sector, while suppliers in the exhibition and events or travel sectors and the wider leisure market will also have been hit hard.

North Kesteven District Council has been awarded a third top up of £174,633.70

#### **2. Guidance**

The guidance issued to the Council by Government on 30<sup>th</sup> December 2021 states:

*'Local Authorities are encouraged to support businesses from all sectors that have been severely impacted by restrictions or by the Omicron variant, including those outside of the business rates system. These may include but are not limited to; hospitality, accommodation, leisure, personal care, the travel and tourism sector, including group travel, travel agents and tour operators, coach operators, wedding industries, nightclubs, theatres, events industries, wholesalers, English language schools, breweries, freelance and mobile businesses (including caterers, events, hair beauty and wedding related businesses), gyms and other businesses that may have not received other grant funding. There is no restriction on the number of grants a business may receive, subject to subsidy limits.'*

#### **3. Businesses eligible for the ARG OI**

As funds are limited, less than one quarter of the total available for the second top-up, The Council has determined that this grant should target those supply chain businesses servicing the hospitality and leisure sector most likely to be affected by additional Plan B restrictions or the Omicron variant. Cancellations, reductions in capacity and staff shortages over the December period will have had a major impact on supply chain businesses recovering after a difficult year.

This grant will support:

- 1. Direct supply chain business for the hospitality sector including food and drink supplies, wholesalers, breweries, distillers, caterers and catering supplies, disposables, etc.**
- 2. The events sector supply chain including entertainers, entertainment venues, theatres, wedding venues, music venues, exhibition venues, gyms and dance studios, one-off events, shows and markets.**
- 3. Travel sector and supply chain including coach tour operators, local tour operators, booking agents, travel agencies (not online only businesses) and taxis.**
- 4. Non-rate-paying business and the self-employed supplying goods and services to the Hospitality, Leisure and Accommodation sector or supply chain including event planners, party organisers etc.**
- 5. Those supplying services to the wedding industry including hair and beauty, wedding outfitters, planners, photographers etc.**
- 6. Gym and dance studios excluding sports club**

For the purpose of this grant 'severe impact' is defined as a significant and measurable 'loss of income' to the business **in December 2021** due to the introduction of Plan B restrictions or changes in public behaviour as a result of the new Omicron variant.

For a close contact business, the severe impact will need to relate to cancelled wedding bookings during the month of December 2021.

It is acknowledged that these are exceptional times and that accurately forecasting December trading will have been difficult for many businesses due to a variety of Covid-related uncertainties impacting the Hospitality & Leisure sector since March 2020. Hopes of a busy December 2021 without Plan B restrictions will have been pushed further below expectation by the impact of Omicron. For this reason evidence supporting claims for lost income in **December 2021** due to Plan B restrictions or Omicron is of the utmost importance. The impact of the financial loss on the business for **December 2021** must be estimated by the applicant, appropriately evidenced and supported by a declaration. Required financial information such as annual accounts or tax returns will only be used to assess the credibility of the loss of income claimed by the applicant rather than determine eligibility. All successful applications will be subject to financial checks in line with [Government Guidance](#).

No essential property qualification or restriction is applied. Eligible businesses may be registered ratepayers, renting, sub-letting, a mobile business or working from home.

#### **4. Businesses not eligible for the ARGOI**

The decision to exclude the following broader RHL sector categories from the ARGOI does not suggest these categories have not suffered any impact. The Council is exercising its discretion under The Guidance to target limited 3<sup>rd</sup> top-up ARG grant funds at supply chain and non-rate-paying businesses in the sector (as per updated guidance) not eligible for the OHLG but nonetheless hard hit by Plan B Restrictions and Omicron in the critical December period. The following RHL category businesses are **not eligible** for this grant.

- a. **Retailers both essential and non-essential**
- b. **Pubs, restaurants, hotels and cafes** (rate-paying businesses already supported by the OHLG)
- c. **Close Contact Services** (unless directly supplying the wedding industry) including hairdressers, beauty therapists and clinics, tanning salons, nail-bars and other one-to-one therapies such as chiropractors, osteopaths and personal or fitness trainers.
- d. **Rated Holiday Lets & B&B's/Guest Houses:** (rate-paying businesses already supported by the OHLG)
- e. **Pet/Animal businesses** including catteries and kennels, dog groomers, equestrian and livery businesses.

#### **Other businesses not eligible for the ARGOI**

- Takeaway restaurants
- Garden Centres
- Financial Services and Accountants and book-keepers
- Property Agents and Estate Agents
- Online businesses or 'click and collect' services
- Car Parks
- Parish Councils
- Village Halls
- Charities and not-for profit organisations (except those operating exclusively in the Hospitality sector)
- Companies in Administration, Insolvent or where a Striking-off Notice has been made prior to 05/11/2020
- Businesses that have chosen not to reopen since March 2020

#### **5. Grant Awards**

Eligibility will be determined via an assessment of evidence supplied by the applicant that clearly demonstrates the 'severe impact' of Plan B restrictions or Omicron on their business income during the month of December 2021.

The grant will open initially for a short window between Friday 28<sup>th</sup> Jan to Monday 7<sup>th</sup> February at 9.00am. Awards will be assessed on the % loss of income in **December 2021** as estimated and evidenced by the applicant as follows:

<b>Business Annual Turnover/Income</b>	<b>Grant Award</b>
<b>Over £50,000</b>	£4000
<b>Under £50,000</b>	£2000

For the avoidance of doubt, all applicants **must** provide an estimate of the loss of income incurred due to restrictions and/or Omicron **for the December 2021 period only** and complete a declaration stating that the estimate provided is true and accurate.

Applicants will also be required to supply the most recent relevant set of accounts or tax return if self-employed. This information will enable assessors to verify an estimated loss of income as variance to or percentage of annual turnover.

Allowances will be made for reduced income in December 2020 due to local lockdown restrictions but accounts or HMRC tax returns for the previous year ie. 19/20 will also be accepted as providing a more accurate picture of 'normal' trading conditions.

All applicants **must** be able to support their estimated loss of income due to Plan B restrictions or the Omicron variant with appropriate evidence **for the period December 2021 only**. This might include:

- Evidence of reduced takings
- Cancelled orders or cancellation notices
- Lost deposits or booking cancellations
- Reductions capacity due to social distancing.
- Temporary closure due to staff shortages
- Staff absences as a result of positive test results leading to event cancellation or reduced services.

Applicants will be required to sign a declaration verifying that the claimed loss of income for the December 2021 period is true and accurate, spot checks will be carried out at a later date and fraudulent applications will be reported.

Should the number of applications outweigh the allocated funding they will be sorted by greatest loss/impact and awarded accordingly until all funds are exhausted.

## **6. Process for applying for Omicron Impact Fund**

Eligible businesses can apply using the online application via the NKDC Website or the BusinessNK website.

Business in the eligible categories will be required to submit an online application, providing the following information;

### **Business Name/Address and contact information**

- Sector/type of business
- Company Registration Number (if registered)
- Company VAT number (if applicable)
- NI Number (for the self-employed)
- Number of FTE employees
- A copy of the most recent annual accounts or tax return
- An estimate of the loss of income suffered by the business in December 2021 due to Plan B Restrictions and/or Omicron
- Evidence of cancelled orders, bookings or reduced takings or staff testing positive/self-isolating during the period in question.
- A declaration that the evidence supplied is true and correct,
- Business bank details and copy of recent bank statement
- Details of how the grant will be used (it cannot be used to support wages or salaries)
- A fraud declaration
- Date business established
- Business rate account number
- Name of applicant
- Agreement to share information with Gov departments for audit and reporting purposes
- Subsidiary declaration

### **7. Timescale and Application Process**

The application window will open on 28/01/21 and close on 07/02/2022.

Grant payments will be made no later than 31/03/2022.

### **8. Additional Details**

Grant income received by a business is taxable therefore funding paid under the Local Authority, Severe Impact Scheme will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.

The Council will not accept deliberate manipulation and fraud. Any business caught falsifying their records to gain additional grant money will face prosecution and any funding issued will be subject to claw back as may any grants paid in error.

Subsidiary rules apply and requirements apply to this scheme and applicants will be required to complete a state aid declaration.

Data collected and processed in part of the application process will be processed in accordance with the Data Protection Act 2018. Data may be shared with other Departments within the Council, HMRC and other Government departments for the purpose of improving services, keeping records up-to-date and for the protection of

the public fund. All personal data is treated with the utmost care and appropriate steps to protect it. NKDC do not sell any personal information to anyone and will never share your information for marketing purposes. For further information, please see the privacy notice here: <https://www.n-kesteven.gov.uk/privacy/>