

## **ARG Business Resilience Grant - Guidance**

### **Grant Overview**

In response to the introduction of national and local restrictions effective from 5 November 2020 to help manage the coronavirus (Covid-19) outbreak, the government announced there would be additional funding support for local businesses that are severely affected by these restrictions. Portsmouth City Council has utilised this funding to provide grants to local businesses over the restriction periods imposed between 5 November 2020 and 18 July 2021.

Portsmouth City Council have now created a **Business Resilience Grant** to help businesses that have continued to be severely impacted by the COVID-19 crisis following the country entering step 4 of the "UK Recovery Roadmap". This additional grant is to help drive businesses forward, to help build business resilience and longer-term recovery and lay the foundations for future growth.

In summary the scheme is to provide one-off grants to help:

- build business resilience
- safeguard jobs
- assist growth
- create new products / services and increase productivity

**The final date grant payments can be made is 31 March 2022. No payments will be made after this date.**

### **Eligibility Criteria and supporting information**

#### **National eligibility criteria**

To be eligible businesses must meet the following criteria:

- Businesses must not be in administration or be insolvent or where a striking-off notice has been made
- Businesses must not have already received grant payments that equal the maximum levels under the Subsidy Control Framework
- Businesses should not be awarded funding as a wage support mechanism, for capital projects that do not provide direct business support, or to fund projects whereby Local Authorities are the recipients.

## **Portsmouth City Council criteria**

This grant will be used to support local businesses to build and grow as they continue to recover from the pandemic.

In addition to the national eligibility criteria above businesses will also need to meet all the following criteria:

- Be a trading business with their main trading address within the Portsmouth city postcode PO1 - PO6 area and trading for a minimum of six months prior to application
- The business will need to have a clear plan with full costings to implement their project, and willing to undergo a review of their business project

Applications will be accepted from businesses in the following sectors:

- independent hospitality
- independent retailers (including market traders)
- independent travel agencies and travel related businesses
- independent theatres and cultural venues
- independent live music venues and licensed nightclubs
- independent local suppliers of goods to the hospitality sector
- independent direct suppliers of goods and services to the cruise industry
- independent businesses in the events and conference industry
- independent operators of industrial business centres for SMEs
- independent businesses of musicians, artists and performers
- any of the above that are run as franchise businesses

The business must not have received an Additional Restrictions Grant from another local authority since November 2020.

Only one application will be accepted per business.

Businesses will need to notify their local authority if they no longer meet the eligibility criteria for an Additional Restrictions Grant (for example if they become insolvent)

## **Grant available**

Businesses have the opportunity for a grant between £1,000 and £10,000 to provide support future sustainability and assist growth.

Grants will be awarded to eligible businesses who can demonstrate benefits from receiving a grant to include:

- build business resilience
- safeguard jobs
- assist growth
- create new products / services and increase productivity

## **What can the grant fund?**

Eligible business activities include, and can be a combination of the following:

- Cost & expenditure occurred in changing, modifying equipment, adapting production lines
- Purchase of equipment to diversify
- Improvements to shopfronts or market stalls or trading unit
- Improvements to internal business premises
- Equipment to aid working from home
- Moving to first commercial property / larger property
- Specific professional consultancy support such as patent, marketing
- Professional and business representative body membership fees
- Workplace health & wellbeing programme / workplace risk assessments
- Website development / enhancement
- Training and employee development
- Specific training to assist with importing & exporting activities - how to complete customs declarations; how to manage customs processes and use customs software and systems

The above is not an exhaustive list and other project ideas may be considered.

An explanation as to how this expenditure will specifically help the business will be required as part of the application for this funding and this will be assessed accordingly.

Grants will not be awarded to fund routine operational costs of the business.

Costs incurred prior to 1<sup>st</sup> October 2021 cannot be funded by this grant.

Wherever possible, we would encourage businesses to procure from local businesses for services/goods

You should exclude the VAT element from the amount of grant you are requesting unless you are unable to reclaim your own VAT because of not being VAT registered.

## **Exceptional grants**

The council may award a higher level of grant in exceptional cases where an eligible business can clearly demonstrate that their business needs greater support, and that it delivers services crucial to the economy of Portsmouth. It is expected that exceptional grants would be paid out in very specific circumstances.

## **Supporting documentation**

For your application to be assessed you will be required to provide the following supporting documents when submitting an application form:

- Copy of the businesses latest filed financial statements or self-assessment tax return showing entries for the business where applicable
- Management accounts / Summary of monthly income and expenditure for the period from the last filed financial statements / self-assessment up to date of application
- Latest business bank statement to verify account details
- 2 quotes for each element of the project costs you are applying for grant funding for

## **Timescales**

**Businesses must complete an application form by 31 January 2022 by 4pm.**

Applications will not be accepted after this time.

The funding is limited and when it has been fully allocated there will be no additional grants paid.

In the event of renewed widespread local or national 'lockdown' restrictions being imposed in December 2021 or January 2022 this Additional Restrictions Grant scheme may close in light of any new prioritised support being provided.

**All Grant payments will be made by 31 March 2022 when the Additional Restrictions Grants scheme will close nationally.**

## **The Application / Assessment / Payment Process**

- Business completes online application with FULL supporting documentation. All projects' quotations must be included with the application. Incomplete applications will be rejected.
- PCC will review and inform applicant of decision within 10 working days from validated completed application with all required supporting evidence
- Applicant submits invoice(s) for project - payment will only be made upon receipt of a valid invoice(s) addressed to the business and detailing services/goods provided
- Invoice(s) should be submitted as soon as possible and in any event by Monday 7<sup>th</sup> March 2022 at the latest.
- Grant payment will be issued via BACs direct to the applying businesses bank account

Once received, validated applications will be assessed based on the criteria set out above.

You **must** attach evidence to substantiate the information in your application form. Failing to do so will either weaken your application and / or reduce the chance of receiving a grant or mean your application is ineligible.

As part of the assessment, you may be asked for additional information to support your application. This scheme is funded directly by government and therefore there is a requirement for proper and proportionate checks to be undertaken in the assessment of all applications.

If you are required to provide additional information, then we will request this by email using the information provided in your application and require a response within five working days for your application to be assessed. Please ensure you regularly check your emails including items that may have been sent to your spam / junk inbox.

The decision of the assessors is final.

There is no provision to appeal. If your application fund meets the criteria and is awarded funding, you will be contacted to confirm the amount.

### **Release of grants**

All payments will be made via BACS as soon as is possible, but it is expected that the volume of applications will be very high and it will take some time to carry out all the assessments.

The business must provide bank details for payment, including a bank statement.

### **Post Award Monitoring**

This scheme is funded directly by government and a requirement of the funding is to collect information from businesses receiving these grant payments, and we will be expected to account for how the funding has been spent.

Grant recipients should be advised that we will carry out physical audit checks once project is completed to ensure that the funds have been spent in accordance with the application form.

Grant recipients should also be advised that they may be contacted for research purposes, and that their data will be shared with the Department for Business, Energy and Industrial Strategy for research and evaluation purposes.

### **Tax**

Grant income received by a business is taxable therefore funding paid under the Additional Restrictions Grant will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.

## **Grant Payment**

Both existing and previous UK law and Subsidy Control places restrictions on when a public body can provide financial aid to commercial entities. This grant is being made under a number of schemes that have been established by government to support businesses that have been impacted by the Covid-19 pandemic.

Financial aid provided by a public body is any 'advantage' granted by a public body through state resources and is governed by Subsidy Control Legislation (formerly State Aid law) and any other guidance issued by government. The meaning of 'aid' is broad because an advantage can take many forms.

Financial aid can constitute the following grants including:

- Business Support Grants.
- loans
- tax breaks, including enhanced capital allowances
- the use or sale of a state asset for free or at less than market price

Financial aid is permitted where it is beneficial to the economy and supports growth and other government policy objectives and it can be given to support a wide variety of activities including research and development, environmental protection and aid for small to medium-sized businesses. The rules permit financial aid where it is necessary to deliver growth and other important objectives.

The award of any financial sum paid to you must comply with any subsidy control legislation and/or state aid legislation (if applicable) and government guidance.

If you have not received payments from any other public body, it is unlikely that you will be in breach of any laws relating to the financial aid that is provided to you by the council. If you have received payment from any other public body, please notify the council immediately as it could have an impact on the validity of the payment that is being made to you.

Please ensure that the application that you submit for financial aid from the council is accurate and truthful to the best of your knowledge. A failure to provide accurate and truthful information will entitle the council to recover from you any payments that are made. The council reserves the right to issue court proceedings to recover any payment made to you where it is determined that the payment was unlawful because of your failure to provide accurate and truthful information in your application.

## **Fraud**

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

All applicants' information will be shared with the government grants management team to enable any fraud to be identified. All businesses will be required to confirm acceptance of this by ticking the box on the application form.