

Blackpool Business Recovery Fund (BBRF)

Grant Allocation Policy:

Additional Restrictions Grant/Local Restrictions Support Grant (Open) – Tier 2

Blackpool Council



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1.0 Document Control

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1.1 Record of Amendments

Date	Version	Amended by	Description of changes
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1.2 Approval

Name	Title	Date
Steve Thompson	Director of Resources	27/11/2020

2.0 Background

- 2.1 The government has initiated local restrictions in response to increased Coronavirus rates within communities. Localised restrictions are legally binding restrictions imposed on Local Authority areas where the Secretary of State for Health and Social Care uses powers of Part2A 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.
- 2.2 Targeted financial assistance has been provided for businesses both legally required to close or able to trade but severely impacted by Local COVID Alert Level 'High' (LCAL 2) and 'Very High' (LCAL 3) or lockdown restrictions.
- 2.3 Local Authorities are responsible for administering grants in response to local restrictions.
- 2.4 Blackpool Council has been allocated £10.9m to cover the following:-
 - i) £5.4m under the [Local Restrictions Support Grant \(Closed + Sector\)](#) – covering accommodation, hospitality, leisure, retail and personal care businesses required to close due to national restrictions, Tier 3 and lockdown measures, and;
 - ii) £2.7m under the [Local Restrictions Support Grant \(Open\)](#) – for accommodation, hospitality and leisure businesses able to remain open but severely impacted by local restrictions under LCAL 2/3 measures, and;
 - iii) £2.8m as an [Additional Restrictions Grant \(ARG\)](#) worth £20 per head of population. This is a one-off discretionary fund available to Local Authorities subject to Tier 3 restrictions to assist local businesses and economic recovery. This 'entry into Tier 3' restrictions grant will not be repeated.
- 2.5. This represents the total grant funding available to the authority to support businesses affected by immediate restrictions and to aid recovery i.e. during the initial Tier 2, 3 and lockdown restrictions.
- 2.6. Blackpool Council has already prioritised grant applications and payments to businesses legally required to close during Tier 3 and lockdown via the *LRSG (Closed)* grant.
- 2.7. The Council has also invited applications for the *LRSG (Open)* grant. This covers a wider range of eligible hospitality and leisure businesses who were open but impacted by the Tier 3 period of restrictions from the 17th October to the 4th November 2020.
- 2.8. From December 3rd Blackpool will be subject to additional Tier 3 restrictions and additional grant allocations will be forthcoming via the LRSG closed and open grant funds. If you have already applied to these funds and been accepted you do not

need to re-apply.

- 2.9. These grants are being paid to eligible businesses in line with LRSG guidelines and businesses can apply via the Council's website:

<https://www.blackpool.gov.uk/Residents/Benefits/Local-restriction-support-grant.aspx>

3.0. Purpose of the Policy

- 3.1. The purpose of this grant policy is to detail how the Council intends to allocate the *Additional Restrictions Grant (ARG)* and the *Local Restrictions Grant (Open)* covering the Tier 2 period (25th September to the 16th October 2020).

- 3.2. Combined, these funds form the *Blackpool Business Recovery Fund (BBRF)*.

- 3.3. The BBRF is valued at £4.2m (of the £10.9m referred to at 2.4).

- 3.4. The Blackpool Business Recovery Fund aims to:-

- i) Offer financial assistance to a priority range of businesses operating in and supplying the hospitality, leisure and accommodation sectors, severely impacted by COVID related local or national restrictions.
- ii) Provide strategic financial assistance to larger businesses critical to the economic recovery of Blackpool's visitor economy in 2021.
- iii) Communicate advice and support (financial and non-financial) to all businesses affected by COVID-related trading restrictions; led by the Council's Business Support Team via www.blackpoolunlimited.com

- 3.5. The Council is required to publish any subsequent amendments to this policy.

4.0 Blackpool Business Recovery Fund (BBRF)

Scope

- 4.1. Local Authorities have the freedom to determine precise eligibility criteria for the LRSG Open and ARG grant schemes, subject to cross cutting conditions that apply to all grant schemes.

- 4.2. Given the limited budget available – worth around a fifth of the previous lockdown grants - the Council has had to prioritise which businesses to support and the level of grant provided.

- 4.3. We are acutely aware that not all businesses will benefit and even those that do may be disappointed with the level of support we are able to offer. We will continue to lobby the government for additional and appropriate financial support that recognises the unique nature of Blackpool's tourism economy.

- 4.4. Grant support is targeted at businesses most dependent on the visitor economy - hospitality, leisure and accommodation sectors. These small and medium sized businesses, often family-owned, have been severely impacted by the timing of restrictions, for instance in the lead into the peak period that is October half term.
- 4.5. For larger businesses the emphasis will be assisting them in their plans to restart their businesses in readiness for the 2021 season, on the assumption that intensive measures to both control the virus and vaccinate the wider population will enable the resumption of some semblance of normality of trade.

Eligible Business Sectors

- 4.6. Grants are available for small, medium and large businesses in Blackpool who operate within the eligible business sectors summarized below. For the full list of eligible business sectors refer to *Appendix 1*.

Business Sectors	Property Status
<p><u>Category 1 – Hospitality Sector</u> Restaurants, cafes, ice cream parlours significantly impacted by the loss of visitor custom.</p>	Ratepaying businesses only can apply.
<p><u>Category 2 – Accommodation Sector</u> Local guest houses, B&Bs, hotels, self-catering holiday apartments and caravan parks/sites who have suffered from cancellations and a reduced trading environment since the introduction of tiered and lockdown restrictions.</p>	Ratepaying businesses only can apply.
<p><u>Category 3 – Leisure Sector</u> The focus is on businesses in a range of leisure sectors who rely on visitor footfall including amusement arcades, theme parks, bowling alleys, tourist attractions, the model village, piers, trampoline parks, Go Kart rinks, independent theatres and cinemas.</p>	Ratepaying businesses only can apply.
<p><u>Category 4 - Supply Chain Businesses</u> Key supply chain businesses such as industrial laundries, catering suppliers, specialist food manufacturers or event companies who have been severely impacted by the downturn in demand emanating from Blackpool’s tourism industry. Evidence of strong links to Blackpool will be required (i.e. serving local markets).</p>	Ratepaying businesses only can apply.
<p><u>Category 5 – Businesses In Non Rated Properties</u> 1) Taxis - This recognises the downturn in trade for licensed taxi drivers offering a grant equivalent to the 2020-21 licence costs for drivers and their vehicles/carriages. Over 1,000 registered Blackpool taxi drivers will benefit from this</p>	Non-Ratepayers only can apply.

<p>grant.</p> <p>2) Non Rated Tourism Businesses – including</p> <ul style="list-style-type: none"> - Tourist concessions such as on the piers and the Golden Mile; - Cafes/restaurants within another specialist property e.g. the café at Solaris; - Small events companies demonstrating a strong link to Blackpool’s tourism offer; - Independent cinemas within another specialist property - Specialist local recruitment agencies providing staffing for hospitality events. <p>3) B&Bs who pay Council Tax rather than business rates.</p>	<p>2) must operate on or within a Blackpool rated property. Mobile businesses do not qualify.</p> <p>Council Tax payers only</p>
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Grants Payable

- 4.7. *Appendix 2* sets out the potential grants payable according to the size of the businesses applying; subject to general conditions set out in section 5.
- 4.8. Only one grant will be payable per business irrespective of the number of properties they operate from. Grant will be calculated against the rateable value of the largest property.
- 4.9. For non-rated businesses a proxy will be used to calculate rateable value based on 50% of annual rent payable. For multiple units owned/operated by the same business grant will be calculated against the proxy rateable value of the largest unit or concession. An up to date lease may be required as evidence.
- 4.10. National or international corporates or chains such as restaurants and hotels will not be eligible for a grant.
- 4.11. Please note that the level of grant payable to small and medium businesses is the equivalent to the LRSO (Open) grant that applied to the entire Tier 2 period – some 22 days.

5.0. Who Can Receive This Funding?

- 5.1. All applicants should operate from a registered business address within the Blackpool borough boundary, and can demonstrate fixed ongoing property-related costs at their business address.
- 5.2. Only businesses that were established and actively trading prior to the introduction of LCAL 2 tier restrictions are eligible. For Blackpool this means prior to the 25th September 2020.

- 5.3. Businesses that were in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.
- 5.4. Businesses must make an application for this funding. Eligible businesses who fail to apply by the required deadline will not be eligible for a retrospective grant payment.
- 5.5. Any grants awarded are subject to EU State Aid limits – see *section 7* for details. All applicants must declare if they have previously received grants that could be construed as state aid as this may limit the amount of additional aid that can be paid.

6.0 Application & Decision Making Process

How To Apply

- 6.1. Applications to the Fund can be made from 9am, Monday 30th November 2020 until midnight on the 14th December 2020.
- 6.2. Please refer to www.blackpoolunlimited.com for details, summarised below.

➤ Small businesses who DO NOT pay business rates apply via this link.	<u>CLICK HERE</u>
➤ Licensed Taxi Operators must apply via this link. Licensed Taxi Operators are already registered with the Council. Bank account details will be required for grant payment.	<u>CLICK HERE</u>
➤ Small & medium businesses occupying a property with a rateable value must apply via this link. PLEASE NOTE: If applicants have already submitted applications for/received a grant payment for Tier 3/lockdown you do not need to re-apply as your details will already be on our system.	<u>CLICK HERE</u>
➤ Larger businesses, operating from properties with a rateable value greater than £51,000; and ➤ Supply Chain Businesses with a rateable value greater than £15,000 must apply via this link. Additional information will be required in support of larger grants including evidence of loss of trade, employee numbers and business recovery plans for 2021.	<u>CLICK HERE</u>

Decisions and Appeals

- 6.3. Applications will be approved or rejected on the basis of this guidance. The Director of Resources has the discretion to approve, reject or defer all applications
- 6.4. If approved the amount of grant will be paid direct into bank accounts via BACS. There is no right of appeal over the amount of grant awarded.
- 6.5. If an application is rejected a brief explanation of the decision will be provided.
- 6.6. Where an application has been rejected an appeal will only be allowed on the basis of new information arising, and must be provided within 5 working days of the notified decision. Appeals must be submitted by email to:
C19business.support@blackpool.gov.uk

7.0 EU State Aid Requirements

- 7.1. Although the United Kingdom left the EU on 31 January 2020, under the Withdrawal Agreement, State aid rules continue to apply during a transition period, subject to regulation by the EU Commission.
- 7.2. Blackpool Council is required to check that State aid requirements have been complied with when making grant payments, including, where required, compliance with all relevant conditions of the EU State Aid De-Minimis Regulation; the EU Commission Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak, and the approved COVID-19 Temporary Framework for UK Authorities, and any relevant reporting requirements to the EU Commission.
- 7.3. Local authorities have a discretion to make payments to eligible recipients under either the *De Minimis* rules or the *COVID-19 Temporary Framework* for UK Authorities (provided all the relevant conditions are met).
 - Payments can be provided under the *De Minimis* rules, meaning applicants can receive up to €200,000 of aid within a three year period.
 - Where the De Minimis threshold has been reached payments can be made under the *COVID-19 Temporary Framework* for UK Authorities. Local authorities have to take note of the conditions attached to the Temporary Framework, including the €800,000 threshold per undertaking, and a requirement that recipients were not an 'undertaking in difficulty' as defined by GBER (2014).
 - Companies that are in administration, are insolvent or where a striking-off notice has been made are not eligible under this scheme.

8.0. Taxation

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

9.0 Declarations & GDPR

- 9.1 All applicants will be requested to declare the accuracy of the information they provide.
- 9.2 Applicants are required to provide business bank account details to speed the process of BACS payments upon approval.
- 9.3 The retention period for all applicant data will be subject to further confirmation from government in terms of post payment assurance. The Council will confirm the retention period on the Council's website once known.
- 9.4 The Council will only share data with other areas of the Council as required to administer the Blackpool Business Recovery Fund, or to meet government post event assurance requirements.
- 9.5. Data will not be shared with any other external agencies.

10.0 Fraud

- 10.1 Where an applicant falsely applies for a grant payment or where they provide false information, makes false representation, or deliberately withhold information in order to gain a grant, prosecutions will be considered under the Fraud Act 2006.

APPENDIX 1: BBRF – ELIGIBLE & INELIGIBLE SECTORS

ELIGIBLE	INELIGIBLE
<p><u>Category 1: Hospitality</u> Cafes Ice Cream Parlours Restaurants</p>	Drive-In/Thru Restaurants Food Courts Night Clubs & Discotheques Public Houses/Pub Restaurants Restaurants (national chain) Roadside Restaurants Takeaway Food Outlet Wine Bars
<p><u>Category 2: Accommodation Sector</u> Guest & Boarding Houses (independent) Hotels (independent and local franchise) Self catering holiday apartments Caravan Parks & Sites (local)</p>	AirBnB properties Caravan Parks & Sites (national chain) Chalet Parks Hostels Hotels (national chain)
<p><u>Category 3: Leisure</u> Amusement Arcades Amusement/theme parks Bowling Alleys Go Kart Rinks Model Villages Pleasure Piers Theatres Tourist Attractions Trampoline Parks Cinema (local)</p>	Aquarium Bingo Halls Casinos and Gambling Clubs Cinemas (national chain) Clubhouses/golf courses Clubs & Institutions Exhibition Hall & Premises Gyms & Sports facilities including community sports Health Clubs Ice Rinks Roller Skating Rings Soft play areas or inflatables Village Halls, Scout & Cadet Huts Zoos
<p><u>Category 4: Hospitality & Leisure Supply Chain (> £15k RV)</u> Wholesale Catering Suppliers Event companies - larger events Industrial Laundries Specialist food manufacturers e.g. rock manufacture Recruitment agencies (local) <i>(examples only - must evidence a direct link with Blackpool's visitor economy)</i></p>	Retail, Construction, General Manufacturing, Professional Services (e.g. legal, financial, HR) Office Supplies, Recruitment Agencies (national)

ELIGIBLE	INELIGIBLE
<p><u>Category 5: Businesses in Non-Rated Properties</u> B&B's (paying Council tax) Cafes/Restaurants (within a property) Event companies Licensed Taxi Drivers Specialist Recruitment Agencies Tourism concessions Cinema (local)</p>	<p>Charities Market traders Retail Shared Offices</p>

APPENDIX 2: BBRF GRANT LEVELS

Business Category	Rateable Value (or equivalent)	Amount Paid	Grant £
Small	£15,000 or under	Fixed	£ 734
Medium	Over £15,000 but less than to £51,000	Fixed	£ 1,100
Large (sub categories)	Over £51,000 but less than £100,000	Up to	£ 10,000
	Over £100,000 but less than £150,000	Up to	£ 20,000
	Over £150,000 but less than £200,000	Up to	£ 30,000
	Over £200,000 but less than £250,000	Up to	£ 40,000
	Over £250,000 but less than £300,000	Up to	£ 50,000
	Over £300,000 but less than £350,000	Up to	£ 60,000
	Over £350,000 but less than £400,000	Up to	£ 70,000
	Over £400,000 but less than £450,000	Up to	£ 80,000
	Over £450,000 but less than £500,000	Up to	£ 90,000
	Over £500,000 (up to state aid limit)	Up to	State Aid Limit
Taxis	Taxi Driver Licence - £75 (1 year grant equivalent)	Fixed	£ 75
	Vehicle Licence - £130 (1 year grant equivalent)	Fixed	£ 130
	Licensed Carriages Licence - £170 (1 Year grant equivalent)	Fixed	£ 170