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**Omicron hospitality, leisure and accommodation grant scheme**

Policy & appeals process

Version 1

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| **Version** | 1\* |
| **Date** | 17 January 2022 |
| **Amend notes v2** |  |

*\*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. 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 grants

On 21 December 2021, Government announced the introduction of grant support for hospitality and leisure businesses in England. This grant is aimed at rated hospitality, leisure and accommodation businesses who have had their trading impacted by the recent surge in Covid cases because of the new Omicron variant. The scheme offers one-off grants ranging from £2,667 up to £6,000 depending on the rateable value of a business.

The Government requires all potentially eligible businesses to apply and has stated that grants cannot be automatically awarded based on previous grant awards. Applications will close on 31 January 2022. Any applications received after this date will not be accepted/eligible.

1. Eligible businesses

To claim a grant, a business premises must operate in the following sectors:

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| **Sector** | **Business type** |
| **Hospitality** | Food courts, public houses/pub restaurants, restaurants, roadside restaurants, wine bars, cafés |
| **Leisure** | Casinos and gambling clubs, cinemas, museums and art galleries, stately homes & historic houses, theatres, events venues, night clubs & discotheques, arenas, concert halls, zoos & safari parks, amusement parks, tourist attractions, theme parks, amusement arcades, wedding venues, soft play centres or areas, clubs & institutions, village halls & scout huts, cadet huts, etc. (Indoor riding establishments are no longer eligible and parish or council owned facilities are not eligible). |
| **Accommodation** | Caravan parks, caravan sites and pitches, chalet parks, campsites, coaching inns, country house hotels, guest houses, hostels, boarding houses, hotels, lodge, holiday apartments, cottages, or bungalows, canal boats or other vessels, B&Bs, catered holiday homes, holiday homes. |

Businesses must be rated to be eligible - i.e have a business rates account. Unrated, home or mobile businesses are not eligible but may be eligible for the [Omicron Rescue Grant Scheme](http://www.southderbyshire.gov.uk/businessgrants).

Businesses will only be eligible if their main service is hospitality, leisure, or accommodation. If a business operates more than one service, the main service will be determined by assessing which category constitutes 50% or more of the overall income.

1. Sector exclusions

Business premises that are not eligible for a grant include:

* **Hospitality** - excludes food kiosks and businesses whose main service (generating 50% or more of income) is a takeaway.
* **Leisure** - excludes all retail businesses, coach tour operators, and tour operators. Gyms and sports clubs are also not eligible.
* **Accommodation** - excludes private dwellings/those registered for council tax vs business rates, education accommodation, residential homes, care homes, residential family centres and beach huts.

Such businesses may be eligible for the [Omicron Rescue Grant Scheme](http://www.southderbyshire.gov.uk/businessgrants).

1. General exclusions

* Businesses that are in administration, insolvent or where a striking-off notice has been made as at 30 December 2021. If a striking off notice is later removed, the business will remain ineligible. Even where a strike-off notice is suspended, if the Companies House website lists the company as subject to a strike off it will not be eligible.
* Businesses that have already received grant payments that equal the maximum levels of Subsidy Allowance (replaces State Aid) – see section 11.
* Businesses that were not registered for business rates on 30 December 2021.
* Businesses whose premises are not individually rated, such as those operating out of shared business spaces, enterprise zones, home-based or mobile businesses - may be eligible for the [Omicron Rescue Grant Scheme](http://www.southderbyshire.gov.uk/businessgrants).
* Businesses like occasional B&Bs that are not rated on the VOA rating list - may be eligible for the [Omicron Rescue Grant Scheme](http://www.southderbyshire.gov.uk/businessgrants).
* Car parks and parking spaces.
* Premises occupied for personal use only.
* Vacant premises.
* Any business that applies or does not submit required evidence by 5pm on 31 January 2022.

1. About the grant amounts

The following grants are available to rated businesses operating primarily (at least 50%) in hospitality, leisure and accommodation:

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| **Rateable value** | **Grant level** |
| Businesses occupying premises with a rateable value of £15,000 or under | **£2,667** |
| Businesses occupying premises with a rateable value between £15,001 and £50,999 | **£4,000** |
| Businesses occupying premises with a rateable value of £51,000 or over | **£6,000** |

1. About council owned/local authority/parish council facilities

Where a council/local authority (such as a parish council) runs a facility, such as a bowling green or venue for hire (village hall/assembly rooms for example), where it is clear that whilst facilities may be owned by a council/local authority, they are run/managed independently - either by a management committee or separate entity - then they may be considered eligible for a grant. Council run (including parish councils) facilities will not be eligible for a grant.

1. About businesses that pay rates with their rent/shared spaces

Businesses with their own assessment, as per the Valuation Office Agency (VOA), should be listed as the rate payer. Businesses that pay rates as part of their rent should check [www.voa.gov.uk](http://www.voa.gov.uk) to see if their premises is individually rated and they occupy the full space listed. Where a business premises is individually rated but does not appear on the rates bill, they may still be eligible. Such businesses should fill in the online form [www.southderbyshire.gov.uk/businessgrants](http://www.southderbyshire.gov.uk/businessgrants) and the Council will assess their case on an individual basis. Businesses whose premises are not individually rated, such as those operating out of Business Centres or Enterprise Zones, are not eligible for a grant, may be eligible under the [Omicron Rescue Grant Scheme](http://www.southderbyshire.gov.uk/businessgrants).

1. About newly formed businesses

Unless a newly formed business can demonstrate it was trading on 30 December 2021, it will not be eligible for a grant.

1. About the business rates database

Whilst the Council works hard to ensure its business rates database is up to date and accurate, on occasion the records it holds may not be 100% up to date. It is every businesses responsibility to report changes to the Council or the VOA in a timely manner to ensure the databases remain accurate.

* Should a business contact us to tell us they are in occupation of a premises/should be listed as the rate payer, but the rates bill is not currently in their name/in the name of the landlord, the grant claim will be investigated further to determine whether the database needs to be amended and a grant awarded. This may delay or prevent a grant. This is not grounds for appeal.
* Should a business contact us to let us know they are operating from a premises that is not on the VOA rating list and/or the business rates database, the council will report the property to the VOA, however this may delay or prevent a grant. This is not grounds for appeal.

1. About claiming a grant

**If your business has received a COVID grant in the past**, please fill in the [online application form](https://www.southderbyshire.gov.uk/forms/showForm.asp?nc=TEJ0&fm_fid=112).

I**f your bank details have changed since you last received a COVID grant**, please send copies of three-months of recent bank statements, which need to show your business name and address, account number, sort-code and recent transactions to [business.grants@southderbyshire.gov.uk](mailto:business.grants@southderbyshire.gov.uk) no later than 31 January 2022. If you do no supply the bank statements by this date, you will not receive a grant, regardless of eligibility. When sending confidential information by email, we strongly recommend you send it to us through a free Egress account at [www.egress.com](https://eu-west-1.protection.sophos.com?d=egress.com&u=aHR0cDovL3d3dy5lZ3Jlc3MuY29tLw==&i=NjA2YzMxNmY0NWViZmM0ODQ4MmM0NDU2&t=Mmg5akE4VmhOTXYvekFQdEs4VXRicW9DOTJDZm5nMVNMQkRxWi9maE4zYz0=&h=c074b03d952b4dc68f335bcbde243a73). This will secure your email end-to-end (see instructions overleaf). Please put your application form reference in the subject of your email, so we can match up your statements to your application. We will run your new account details through our NFI and Experian checking tools to validate the account details.

**If you are a** **new business and have not received a COVID grant in the past, or your business changed hands recently,** please email [business.grants@southderbyshire.gov.uk](http://business.grants@southderbyshire.gov.uk) and we will send you an application form to complete.

The deadline for all applications date is **Monday 31 January 2022 at 5pm.**

All required **evidence must also be submitted by Monday 31 January at 5pm**.

If applications/evidence are not submitted by 31 January at 5pm businesses will not receive a grant, regardless of eligibility. It is the businesses responsibility to send in the required evidence - it is not the responsibility of the district council to chase up any missing information. Late applications/submission of evidence will not be grounds for appeal.

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| **How to set up a free Egress account**  To set up an account, click on ‘sign-up’ in the top right hand of the screen (in the blue bar). Then enter your name, your email and provide the answer to two personal questions (this is in case you forget your password and can later retrieve it) and copy the security code. 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. |

If evidence cannot be uploaded online/emailed (because it is too large or businesses do not have an electronic copy) it can be posted to/dropped off at: **Business Grants Team, South Derbyshire District Council, Civic Offices, Civic Way, Swadlincote, Derbyshire, DE11 0AH.**

We recommend businesses send documents to us by recorded delivery. Businesses should quote their application reference on the envelope, so it can be matched up to their case. We also recommend businesses do not supply original documents as we cannot guarantee we will be able to return them due to the volume of applications we may receive.

Any business that needs assistance completing the form can request it from customer services by calling 01283 595795.

1. 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](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>

**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:

1. 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’);
2. 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;
3. ‘Uncovered fixed costs’ means fixed costs not otherwise covered by profit, insurance or other subsidies;
4. 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;
5. 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;
6. 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).

1. 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)

1. About payment of the grant

Businesses that are eligible for a grant(s) will be paid directly into their business bank accounts.

Where a sole trader only has a personal account, they will be asked to confirm that the account underpins their business.

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.

**Please note, the grant is subject to tax.**

1. Non-eligible businesses

Businesses that complete a form but are not eligible will receive a letter to their business premises to notify them that their claim has not been successful.

The letter will detail the appeals process.

1. Declining the grant

Eligible businesses can decline the grant. If businesses decline the grant it will be removed from the business rates system. 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 State Aid de Minimis level by receiving the grant must declare it and not accept the grant. This is the responsibility of the business.

1. 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.

**All appeals must have been submitted and considered no later than 28 February 2022. If an appeal is submitted late and not considered in time and a grant is not awarded, this is not grounds for appeal.**

1. Any questions?

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

1. Changes to the 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. The District Council is not liable if any of the changes affect the eligibility of any business for any of the COVID-19 grants.

ENDS