



# **ARG Discretionary Business Support Grant Policy**

**August 2021**

## 1. Aims of the policy

The aims of the policy are:

- To ensure businesses located in the borough that are operating within or supplying to specified sectors that continue to be severely negatively impacted by the pandemic are supported through Additional Restrictions Grant (Round 1);
- To support those businesses identified as vital to the borough but have been ineligible for financial support or have not been able to access financial support announced after March 2020 (Round 2a);
- To support the recovery of the local economy by awarding grants to businesses that have viable growth opportunities linked to job creation. This to be match funded by the business (Round 2b);
- To ensure the Additional Restrictions Grant scheme is administered and awarded in line with the rules and guidance set out by the Department for Business, Energy & Industrial Strategy and the Ministry of Housing, Communities and Local Government;
- To establish principles that provide a consistent approach to the application for, administration of and award of grants;
- To safeguard against fraud and the incorrect payment of grants to non-qualifying businesses.

## 2. Scope of the policy

This policy applies to the administration of the Additional Restrictions Grant for businesses with premises located within Wigan Borough.

## 3. Statutory basis for the policy

The COVID-19 Additional Restrictions Grant Policy 2021 adheres to the following national rules and guidance:

Department for Business, Energy & Industrial Strategy: Additional Restrictions Grant Guidance for Local Authorities (16<sup>th</sup> June 2021).

## 4. Background

This paper details Wigan Council's policy on the administration of the Additional Restrictions Grant Rounds 1, 2a and 2b 2021.

This policy covers how the council will:

- Administer the grant scheme equitably and in adherence to government guidelines;
- Provide grant awards to eligible businesses;
- Outline those business types deemed a priority for grant award within Round 1 (and subsequent rounds 2a and 2b);
- Provide an efficient and consistent application and award process;
- Protect against fraudulent activity.

## 5. Eligibility

In order to qualify for ARG, the following conditions will apply to each of the rounds of funding.

- The applicant must be the owner or director of the applying business;
- The applicant must currently lease or own business premises / a business work base within the Wigan borough.
- The business can reasonably demonstrate continuing loss of income due to COVID-19 restriction measures and / or significantly reduced customer demand despite restrictions being lifted as per the UK Government Roadmap announced in Spring 2021.
- The business is not in administration, liquidation or subject to a striking off notice.
- The business complies with domestic subsidy allowance for COVID-19 business support grants Applicants for Round One of the scheme will have rental or mortgage costs no less than £100 per calendar month

## 6. Prioritisation

The Additional Restrictions Grant is a limited resource so the council must ensure it is allocated to those for whom the scheme was intended, that are most in need, are of value to the borough or could contribute to the recovery of the local economy through growth opportunities/job creation.

As of 19<sup>th</sup> July 2021, most legal restrictions in England will be lifted. However, the delay from the original planned date of 21<sup>st</sup> June 2021 has resulted in businesses in or supplying to certain sectors continuing to experience reduced income and/or reduction in customer demand.

### Round 1

In order to ensure that businesses in these sectors receive a level of financial support priority in Round 1 will be given to:

- Businesses who were not eligible for the Restart Grant.
- Businesses categorised and evidenced as operating within the wedding, events and entertainment sectors or businesses that are within the supply chain by supplying goods or services to these sectors.
- Businesses operating from a commercial premise within the borough.

### Round 2a

Priority will be given to businesses operating from premises within the borough that:

- Can evidence they are part of the local supply chain either as a supplier or purchaser;
- Can demonstrate a decline in turnover as a result of the pandemic.

- Can either demonstrate an active role in supporting the local community or a commitment to do so.
- Have signed up to Wigan Council's *Deal for Business*
- Are an established business within the borough having traded within the borough for 12 months or more from the date of application

## Round 2b

Priority will be given to businesses operating from premises within the borough that:

- Have a viable growth opportunity linked to legitimate creation of new permanent positions with a commitment to resourcing these positions from within the Wigan Borough.

And / or

- Have a viable growth ambition to expand their business footprint within the borough.
- Are able to clearly demonstrate an ability to match-fund any award of Round 2b ARG funding.
- Can evidence they are part of the local supply chain either as a supplier or purchaser;
- Operate within the manufacturing, digital/tech and low carbon sectors
- Can either demonstrate an active role in supporting the local community or a commitment to do so.
- Have signed up to Wigan Council's *Deal for Business*
- Are an established business within the borough having traded within the borough for 12 months or more from the date of application

This funding is not to further subsidise Kickstart placements or apprenticeships for which the business is already receiving or will receive financial incentives;

## 7. Application process and timescales

The application process will be as follows:

- Applications can only be made online via Wigan Council's Additional Restrictions Grant e-form;
- Any attempts to make an application using methods other than the e-form will not be processed or considered, nor will rejection correspondence be issued;
- Supporting evidence may be requested to allow the business to reasonably demonstrate how it meets eligibility criteria such as running costs or COVID-19 related losses;
- Businesses may be asked to submit additional information for verification purposes and to prevent fraudulent claims. This also applies to businesses that have previously received financial support;
- Failure to provide evidence when requested will result in the application being rejected.
- Round 1 applications will be prioritised and will only be accepted for a **four week** period commencing **9 August 2021**.

- Applications for Round 2a and Round 2b will be invited at a later date.

## **8. Level of awards**

### **Round 1**

A fixed payment of £1,000 will be issued to qualifying businesses that submit a successful application in Round 1.

### **Round 2a**

Grant awards will be assessed based on:

- Turnover of business;
- Sector;
- Number of employees
- Annual running costs including fixed property costs.

Fixed property costs will be considered if business is:

a) located in a shared or flexible workspace, are not liable for Business Rates and can provide a current minimum twelve month lease with evidence of the latest three months rent payments through a business bank statement;

or

b) located in a premise and are liable for Business Rates and can provide a current minimum twelve month lease with evidence of the latest three months rent payments through a business bank statement or the latest three months commercial mortgage payments through a business bank statement

Applications will no longer be accepted once the funding allocation is reached.

### **Round 2b**

Grant awards will be assessed based on:

- Value to the borough of the expansion opportunity in terms of local job creation and business footprint increase.
- Turnover of business;
- Sector;
- Number of employees

Only one application per business can be submitted and the maximum value of grant that can be awarded will be capped at £50,000.

Businesses must be able to match fund the amount requested.

Applications will no longer be accepted once the funding allocation is reached.

## **9. Incorrect payments and fraud**

In order to protect the fund and ensure it is only allocated to those businesses who meet eligibility criteria, post-payment assurance work will be conducted aimed at identifying any payments made in error or as a result of fraudulent activity.

Where payments have been made incorrectly and the business is aware of this, there is an expectation that the business will immediately contact the council to arrange repayment.

Where post-payment assurance work identifies an incorrect payment and contact is made with the business, the business will repay the money in full to the council.