

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

OMICRON

DISCRETIONARY SUPPORT POLICY

1. Background

On 21 December 2021, the Government announced that local authorities would be provided with funding to provide grants to businesses most impacted by Omicron. This funding took the form of a top-up to the existing Additional Restrictions Grant, which has been used over the past 12 months to provide grants to businesses severely affected by national and local restrictions (known locally as Local and National Restrictions Discretionary Support Grants).

The Omicron top-up grant for North West Leicestershire is £195,225. Government has advised that this should be used to pay grants to businesses and encourages the support to be focused on sectors that have been severely impacted by restrictions but may not have received other grant funding.

Full guidance for local authorities can be found on gov.uk:

[Additional Restrictions Grant: guidance for Local Authorities \(updated 30 December 2021\)](https://publishing.service.gov.uk/guidance-for-local-authorities-updated-30-december-2021)
(publishing.service.gov.uk)

The council has carefully considered the guidance and clarifications issued by Government, as well as our understanding of the economic environment in North West Leicestershire, in the design of its Omicron Discretionary Support policy.

2. Overview of NWLDC's National Restrictions Discretionary Support Grants

The council considers it necessary to continue to support businesses that have seen significant falls in income as a result of the Omicron variant, but are ineligible for support from the national scheme, known as the Omicron Hospitality and Leisure Grant. This could include businesses that are not based within a rateable premise, as well as businesses that do not fall into the sectors covered by the national scheme.

Eligibility

In order to be eligible for this grant, your business must:

- Be based in North West Leicestershire.
- Not be eligible for an Omicron Hospitality and Leisure Grant. This grant is targeted at businesses that are required to close by government restrictions and are ratepayers. More details of this grant are on our website:

https://www.nwleics.gov.uk/pages/coronavirus_business_support

- Be currently trading.
- Have seen been severely impacted by the Omicron variant.

In determining whether a business has seen a significant reduction in income, the Council will ask businesses to explain and evidence how they have been affected, and will consider:

- The level of income reduction. As a rule, we consider a 40% drop in income to be a severe impact. However, there are circumstances where a lower fall in income could still be considered a severe impact on a business, for instance if there is a time lag in the businesses data. It is, therefore, not a prescriptive percentage.
- The reasonableness of the businesses' assertion that it has been severely impacted. This will be based on the Council's wider understanding of the business and how its sector has been affected.
- Any evidence provided by the business for previous covid-19 support grants, and other publicly available information which could be used to corroborate the businesses grant claim.

You will **not** be eligible for this grant scheme if:

- Your business has received grant payments equal to the maximum permitted levels of subsidy.
- Your business was not trading, is in administration, insolvent or where a striking-off notice has been made.
- The Council cannot assure itself that your business has been severely impacted.

Value of Payments

North West Leicestershire District Council has sought to provide businesses eligible for discretionary grants with a payment grants equal to the national scheme wherever possible. Around 300 businesses were supported with discretionary grants through the national restrictions that began in January 2021, and if all these businesses were eligible again around £810,000 would be needed. The Council, therefore, does not believe it will be possible to continue to give parity.

Recognising the need to get support to businesses quickly, the Council plans to split payments to eligible businesses into two:

1. **An initial payment to support businesses.** An amount based on the rateable value, annual rent or annual mortgage costs of the business, will be made to the business once eligibility has been confirmed.
2. **A top-up payment will be made once the scheme as closed.** If there is funding still available once the scheme closes, businesses will be paid a top-up amount. This will vary based on the business, but will be based on the amount of funding remaining and the rateable value, annual rent or mortgage costs of the business.

Payment values will follow a sliding scale based on the rateable value, annual rent, or annual mortgage costs of the business, as per the table below. This is based on the values for the Omicron Hospitality and Leisure grant, with an additional lower payment for businesses based at home or from a vehicle, reflecting their lower running costs. Payments will be capped at the amount the business would receive under the Omicron Hospitality and Leisure grant

Location of business	Rateable value, annual rent or annual mortgage costs	Initial Payment	Maximum Total Payment
Home or a vehicle	n/a	£250	£2,667
Business premise	£15,000 or under	£500	£2,667
	£15,001 – £50,999	£700	£4,000
	£51,000 or over	£1,000	£6,000

If the rateable value and annual rent/mortgage costs place businesses in two different bands, the grant will be awarded based on the rateable value of the business premises to ensure parity with the Omicron Hospitality and Leisure Grant.

Payments are made per business, not per property. Businesses with multiple properties only be eligible to receive one grant.

Businesses should be aware that any grants received will count as income for tax purposes.

The Council reserves the right to amend this policy, including eligibility requirements and payment amounts, if required to ensure the fair and equitable distribution of funding to businesses within North West Leicestershire.

3. The application process and evidence requirements

The Government recognises that local authorities will need to run an application process to ensure some proportionate checks are made to confirm eligibility and determine the value of the grant before payment is made.

The Council will invite applications via its website and will manage the application process through a specialist grant portal: www.grantapproval.co.uk. Using this software will automate some checks and enable the council to pay businesses more quickly. If an applicant is unable to apply via the website should email us or phone our customer services on 01530 45 45 45 to request a paper application form.

The application windows will remain until 28 February 2022, in line with the application window for the Omicron Hospitality and Leisure Grant which is set by the Department for Business, Energy and Industrial Strategy. However, the Council reserves the right to close the application window early if demand is likely to outstrip the funding available.

The full application process will guide applicants through the evidence businesses are required to provide, which will be the minimum reasonably required to establish eligibility and enable a fair and equitable assessment of grant entitlement. The table below sets out the evidence required and potential examples of evidence the business could provide.

Eligibility Requirement	Evidence Required
Business has been severely impacted by the Omicron variant	<p>It is up to businesses to provide sufficient evidence to show that they been severely impacted by the Omicron variant.</p> <p>Businesses could provide.</p> <ul style="list-style-type: none"> - Bank statements for October, November and December 2021 and the same period in 2020 or 2021, to show the decline in income. - Business's financial accounts, showing drop in revenue during December compared to October and November, and compared to previous years - Sales data showing a significant fall in sales From December 2021 - Notifications to customers of closure of the businesses <p>This is not a complete list and businesses should provide evidence they feel shows they were closed or supports their assessment of being severely impacted.</p>
The rent or mortgage costs of the property	<p>A recent:</p> <ul style="list-style-type: none"> - Rent invoice - Mortgage statement - Relevant rent or mortgage contract.
Business must still be trading	<p>Evidence of the business trading, such as:</p> <ul style="list-style-type: none"> - A delivery note - Expenses/sales receipt - Purchase order

Business is based in North West Leicestershire	Recent utility bill linking the business to the address in the application form
Verifying business identity	Recent bank statement for the business

The Council will individually assess and validate applications as they are received and may request further information and validation. The pre-payment checks will include confirming eligibility and that by accepting payments the would-be recipients confirm they are in compliance with Covid-19 business grants subsidy allowances. The application form will require applicants to confirm acceptance of various compliance statements, including that the business considers itself eligible for the grant, that subsidy rules will not be breached and acceptance that the grant can be recovered should the Council discover that the business is not eligible.

4. Appealing a decision made by North West Leicestershire District Council

There will be no automatic right of appeal against a decision not to award a grant, or against the value of any grant. However, the Council may at its discretion reconsider any refusal or grant value if there is clear evidence that a significantly wrong decision may have been made. The only further recourse available to applicants is a challenge by way of a judicial review, which is the means by which the decisions of the Council under discretionary powers may be challenged and/or a complaint to The Local Government and Social Care Ombudsman.

5. Managing the risk of fraud

The Council and the Government will not accept deliberate manipulation and fraud. Through the application processes businesses will be required to confirm that they believe they are eligible for the grant based on the guidance provided by the Council. Any business or person caught falsifying their records to gain a grant award will face prosecution and any funding issued will be subject to clawback, as may any grants, paid in error.

The Government's grants management and counter fraud functions will provide local authorities with access to 'Spotlight', a digital assurance tool. This tool will also assist the Council with pre and post payments assurance, including identification of high-risk payments. There will also be joint working across councils and government departments in preventing fraud.

6. Policy review

This policy has been written in line with Government guidance. It will be revised under delegations by the Section 151 Officer, in consultation with the Portfolio Holder for Business and Regeneration, if: changes need to be made to ensure the smooth

administration of the scheme; to update the policy for any future national restrictions; and in response to any future clarifications and changes that may be announced by the Government.