

Blackpool Business Recovery Fund (BBRF) - Omicron

Grant Allocation Policy: Round 3

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	21/01/2022

2.0 Background

- 2.1. The government has provided a series of grants and support to businesses throughout the COVID-19 pandemic.
- 2.2. Local authorities have been responsible for administering many of these business grant schemes primarily aimed at retail, hospitality and leisure sectors.
- 2.3. The majority of funding has been directed eligible businesses who pay business rates, although the government has provided smaller discretionary funds to help those who fall outside the business rates system. Most grant schemes ceased in mid-2021 as the economy opened up post lockdown.
- 2.4. On the 21st December 2021, as a result of rising infections associated with the Omicron variant, the government announced further grant support for hospitality and leisure businesses – the [Omicron Hospitality and Leisure Grant](#) (OHLG) – worth £4.7m to Blackpool. This is exclusively for eligible business ratepayers within leisure, hospitality and accommodation sectors.
- 2.5. The government has provided discretionary grants to local authorities called the **Additional Restrictions Grant (ARG)**. ARG aims to support businesses severely impacted by coronavirus restrictions and the rise of the Omicron variant. Blackpool has been awarded a total of **£4,917,310** in four tranches as follows:
 - £2,788,920 - entering Tier 3 (October 2020)
 - £1,238,706 - first ARG top up (January 2021)
 - £724,347 – second ARG top up (July 2021)
 - £165,337 – third ARG top up (January 2022)
- 2.6. Blackpool has distributed its ARG grant support via its *Blackpool Business Recovery Fund (BBRF)*. Two funding rounds have taken place and this policy sets out details of the third and final round of the fund given all ARG must be defrayed by 31st March 2022.
- 2.7. With the exception of the third top-up payment, which must be used as a grant, Local Authorities can use ARG funding for business support activities either as direct grants or other forms of business support.
- 2.8. To date BBRF has distributed £3,899,283.21 as direct grants and £769,379.34 via wider business support measures (tourism marketing and events to enable resort recovery) – a total of £4,668,662.55. For BBRF3 £248,647 remains available to allocate as discretionary grants by March 2022. Any unspent amount will be recovered by government.

3.0. Purpose of the BBRF Omicron Policy

- 3.1. Local Authorities are required to put in place an application process for grant schemes. This grant allocation policy – **BBRF3 Omicron** - sets out the eligibility criteria and process for applications to this fund.
- 3.2. BBRF3 Omicron aims to support a limited range of retail, leisure and hospitality (RHL) businesses that may have been severely impacted by recent COVID restrictions and in particular the omicron variant.
- 3.3. The Council is required to publish any subsequent amendments to this policy or subsequent funding rounds if applicable.

4.0 Blackpool Business Recovery Fund (BBRF) - Omicron

Scope

- 4.1. BBRF has provided funding for a large range of tourism related businesses and their supply chain as the resort has sought to recover lost ground after a period of lockdowns. For the most part evidence suggests that the 2021 season has been a success and many businesses have had a bumper few months aided by staycation effects, the extension of the Illuminations and Xmas events.
- 4.2. However, the government’s recent announcement recognises that some businesses may have been severely impacted by the recent surge in the Omicron variant due to reduced consumer confidence at a crucial part of the year for generating revenue. BBRF3 is targeted at those businesses who are able to evidence this severe impact.

Eligible Business Sectors

- 4.3. Grants are available for small and medium businesses in Blackpool who operate within eligible business sectors set out in **appendix 1**. This also sets out qualifying criteria and supporting evidence required.

Grants Payable

- 4.4. The table below sets out grants payable according to the size of the businesses applying, ratepaying status, and is subject to general conditions set out in section 5.

Business Categories	Rateable Value (or Equivalent *)	BBRF3 Grant Level
No fixed property costs **	Not applicable	£1,334

Small	£15,000 or under	£2,667
Medium	Over £15,000 but less than £51,000	£4,000
Large	£51,000 and over	£6,000
<p>The Council reserves the right to award discretionary grants above these amounts if an applicant presents (a) a compelling case demonstrating severe impacts on the business such as significant loss of jobs or turnover resulting from restrictions arising from surges in COVID-19/the Omicron variant, or (b) to correct errors in previous grant payments.</p>		
<p>* Equivalent means current lease/annual rental payable. It does not include other overhead costs such as utilities and insurance.</p>		
<p>**Applies to self-employed with no fixed commercial property costs i.e. home working.</p>		

- 4.5. Only one grant will be payable per business.
- 4.6. For ratepaying businesses grant will be calculated against the rateable value of the largest property.
- 4.7. For a non-rated business a proxy will be used to calculate rateable value based on 50% of annual rent payable. An up to date lease will be required as evidence.
- 4.8. National or international corporates or high street chains are not eligible for a discretionary grant.
- 4.9. Once your application has been assessed as eligible and approved we will move to make payments by BACS as soon as possible. Pre-payment checks will be required, including external checks with the National Fraud Initiative (NFI).

5.0. Who Can Receive This Funding?

- 5.1. All applicants should operate from a registered business address within the Blackpool borough boundary.
- 5.2. Businesses must be actively trading and engaged in business activity i.e. carrying on a trade or profession, or buying and selling goods and services in order to generate turnover.
- 5.3. Businesses in administration, insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.

- 5.4. All businesses will be required to self-certify that they meet all eligibility criteria. In respect of the third ARG top up, Local Authorities must verify evidence as part of pre-payment checks.
- 5.5. Any grants awarded are subject to Grant Subsidy Allowances (replacing former EU State Aid limits) – see *section 7* for details. All applicants must declare previous grants received as this may limit the amount of grant payable.

6.0 How To Apply

- 6.1. 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. **The fund is open to applications from 9am Monday 24th January to 5pm 16th February 2022.**
- 6.2. Please refer to www.blackpoolunlimited.com for details, or click the relevant link below to apply.

Omicron Hospitality and Leisure Grant	<u>APPLY HERE</u>
BBRF3 – Omicron	<u>APPLY 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 applications pending further information.
- 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 level 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 subject to new information arising, and must be provided within 5 working days of the notified decision.
- 6.7. Appeals must be submitted by email to: C19business.support@blackpool.gov.uk

7.0 COVID-19 Business Grant Subsidy Allowance

- 7.1. EU State aid rules no longer apply to subsidies granted in the UK following the end of the transition period on 31 December 2020.
- 7.2. The UK remains bound by subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU.

7.3. There are three subsidy allowances for this scheme:-

a) **Small Amounts of Financial Assistance (SMAF)** – this allowance enables an applicant to receive up to up to £335,000 Special Drawing Rights to a single economic actor (business entity) over any period of three fiscal years as at 2 March 2021. An applicant may elect not to receive a grant under this allowance and use those below. BBRF3 will relate to this measure unless an applicant requests otherwise.

b) **COVID-19 Business Grant Allowance** – where the SMAF has been reached, grants may be paid under this measure. For the purposes of COVID-19 Business Grant Schemes this allowance is £1.9m per single business.

c) **COVID-19 Business Grant Special Allowance** – applies where an applicant has exceeded both of the above measures. It may be able to access a further allowance of funding under these scheme rules of up to £10m per single economic actor, subject to conditions.

Grants under all three measures above may be combined for a potential total allowance of £12.235m.

8.0. Taxation

8.1. Grant income received by a business is taxable. The Additional Restrictions Grant will need to be included as income in the tax return of a business.

8.2. Only businesses which make an overall profit once grant income is included will be subject to tax.

8.3. As the final grant payments are to be paid by 31 March 2022 all amounts received will fall into the 2021/22 tax year. Unincorporated businesses will be taxed when they receive the grant income.

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 BBRF3 Omicron (ARG), or to meet government pre and post event assurance

requirements. Blackpool Council's privacy notice can be found at [Blackpool Council privacy notices | Data protection | GDPR](#)

- 9.5 Data will not be shared with any other external agencies other than the Department for Business, Energy & Industrial Strategy (BEIS), where requested. The BEIS privacy notice, setting out how BEIS will handle personal data across all COVID-19 business grant schemes can be found at <https://www.gov.uk/government/publications/covid-19-grant-schemes-privacy-notice/covid-19-grant-schemes-privacy-notice>

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: BBRF3 (OMICRON) – ELIGIBLE BUSINESS SECTORS

Business Sectors	Property Status	Exclusions	Qualifying Criteria & Evidence
<p><u>Category 1 – Hospitality Sector</u></p> <ul style="list-style-type: none"> • Restaurants & cafes 	<ul style="list-style-type: none"> • Non ratepaying 	<ul style="list-style-type: none"> • Eligible for the Omicron Hospitality and Leisure Grant (OHLG). • National chains 	<ul style="list-style-type: none"> • Supporting evidence may be required such as:- <ul style="list-style-type: none"> ○ Evidence of losses due to cancelled bookings ○ Management accounts ○ A current lease if non ratepayer
<p><u>Category 2 – Travel & Tourism Sector</u></p> <ul style="list-style-type: none"> • Travel Sector <ul style="list-style-type: none"> ○ Travel agents ○ Group travel ○ Tour operators ○ Coach operators • Performing arts and events: <ul style="list-style-type: none"> ○ Performing arts/artists/events businesses in the hospitality and tourism sector ○ Specialist local recruitment agencies providing staffing for hospitality events. ○ Event/outside caterers 	<ul style="list-style-type: none"> • Ratepaying & non ratepaying businesses 	<ul style="list-style-type: none"> • Eligible for OHLG • National chains – franchises may be eligible • Eligible for OHLG • General recruitment agencies 	<ul style="list-style-type: none"> • Supporting evidence may be required such as:- <ul style="list-style-type: none"> ○ Evidence of losses due to cancelled bookings ○ Management accounts ○ A current lease if non ratepayer • Note: Self-employed must state Unique Tax Reference number (HMRC).
<p><u>Category 3 – Accommodation Sector</u></p> <ul style="list-style-type: none"> • B&Bs who pay Council Tax rather than business rates. 	<ul style="list-style-type: none"> • Council Tax payers 	<ul style="list-style-type: none"> • AirBnB is not eligible. 	<ul style="list-style-type: none"> • Current Council Tax reference.
<p><u>Category 4 – Other Eligible Businesses</u></p> <ul style="list-style-type: none"> • Kennels and catteries 	<ul style="list-style-type: none"> • Ratepaying & non-ratepaying businesses 	<ul style="list-style-type: none"> • Eligible for OHLG 	<ul style="list-style-type: none"> • Evidence of losses due to reduced demand. • Business ID such as evidence of trading as a business; ratepayer reference, lease (where relevant).