



NORWICH
City Council

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Hospitality and Leisure Adaptations Restart Grant Scheme

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Hospitality Adaptations Restart Grant Scheme

Introduction

This scheme is available to businesses that operate from fixed premises and is a venue for the serving and consumption of food and drink outdoors. It is intended to provide an opportunity for businesses to apply for funding to make alterations to their premises to allow them to reopen safely during the early stages of the Government's roadmap out of lockdown.

Eligible premises include pubs, hotels, restaurants, in-house cafes, tourist attractions, social clubs and other businesses that that can utilise outdoor space to serve food and drink.

Norwich City Council recognises that the hospitality sector has been one of the hardest hit by the COVID-19 restrictions. As businesses are able to open from 12 April 2021 some will need additional financial support to make adaptations to enable their business to operate outdoors successfully.

Grants up to £7,500 are available to support businesses with the adaptations required to enable or improve their outdoor facilities. The fund will pay for up to 75% of the cost (exclusive of VAT where the business is VAT registered).

The scheme will allow applications from those that have placed orders or commissioned works since 1 April 2020 that were to enable outdoor trading, as well as those that are yet to make any outdoor adaptations.

Eligibility

Businesses must:

- be carrying out works to a fixed business premises located in Norwich that is open to customers, or will be when restrictions allow
- operate in the Hospitality, Recreation, Leisure, Culture, Tourism or Events sectors
- provide quotes or invoices for items being claimed and submit invoices/receipts prior to final payment
- detail how their project will directly help the reopening of their business through the COVID-19 restrictions
- have been trading on 1 April 2021 or is a newly established business before 31 May 2021.
- be the business that is registered for business rates
- be actively trading from the premises (Grants will not be awarded in respect of a property which is unoccupied)
- not be in administration, nor insolvent and not be subject to a Striking Off Notice
- not have exceeded the permitted Subsidy limit (previously known as State Aid) in terms of support already received.

NB. these grants will not be available to national chains with more than 30 trading sites.

Payment of a grant under this scheme is at the discretion of Norwich City Council.

There is no right of appeal against a decision of the Council to pay, or not to pay, an award from this grant scheme.

The scheme

The grant will provide up to 75% funding towards any outdoor equipment/structures/software to help businesses to reopen safely.

The scope

- outdoor furniture, heating and lighting
- insulation
- weather-shielding equipment, such as wind breaks, umbrellas
- mobile ordering and payment equipment
- temporary structures to keep waiting visitors dry or safe, such as awnings or marquees*
- improvised waiting areas, reception areas or ticket offices

**Please note that before installing large structures, especially in cases where your property is listed, correct regulatory permissions must be obtained before work takes place. In cases where you intend to use highway land, you should seek a pavement license. The grant will also cover planning permission costs as part of your application.*

Applications

Applications can be made up to 31 May 2021 with all payments being made by 30 June 2021. Applications will be dealt with in the order that they are received.

Applications must be made via the council's website. The following information will be required to complete the application:

- Company number (if applicable)
- VAT registration number (if applicable)
- National Insurance Number (if applicable)
- A copy of a bank statement for the business to clearly show your account name, sort code and account number so that we can verify the details to which any grant may be paid

By applying for and accepting this grant, the business confirms that it will:

- comply with COVID-19 regulations and guidelines*
- actively promote adherence to social distancing guidelines and other COVID-19 rules to ensure public safety
- repay any monies received for works that are not carried out or completed in line with its original grant application

**Applicants should note that any structures bought for the purpose of facilitating outdoor hospitality will need to comply with the current regulations. With the recent announcements regarding outdoor hospitality being permitted from 12 April 2021 in a COVID-19 secure way, we would like to remind businesses that*

any outdoor structures to be used for eating and drinking must not be more than 50% enclosed. When determining the area of an opening, no account can be taken of doors or windows. This also includes temporary structures such as tents and marquees.

If you are in any doubt about whether your building or structure is enclosed, substantially enclosed or open enough to allow outdoor dining, please contact the Food, Safety & Licensing Team.

Project monitoring

Norwich City Council reserves the right to request that grant recipients provide updates on the project so we can monitor the benefit that the grant scheme has had. Examples of the information requested will include, but not be limited to details of:

- the impact that the grant has made
- whether or not the business is continuing to trade
- any positive case studies that can be used by the project for marketing or promotional purposes

Subsidy (formerly State Aid)

The EU State aid rules no longer apply to subsidies granted in the UK following the end of the 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.

On Thursday 4 March 2021 new subsidy allowances were established for the COVID-19 business grants schemes, on the basis of the principles set out in Article 3.4 of the TCA.

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.

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.

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:

- a. 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');
- b. 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;

- c. Uncovered fixed costs' means fixed costs not otherwise covered by profit, insurance or other subsidies;
- d. 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;
- e. 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;
- f. Grants provided under this allowance shall not be cumulated with other subsidies for the same costs.

Undertaking in difficulty

'Undertaking in difficulty' means an undertaking in respect of which at least one of the following circumstances occurs:

(a) In the case of a limited liability company (other than an SME that has been in existence for less than three years) where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital. For the purposes of this provision, 'share capital' includes, where relevant, any share premium.

(b) In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years) where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses.

(c) Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria for being placed in collective insolvency proceedings at the request of its creditors.

(d) Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee or has received restructuring aid and is still subject to a restructuring plan.

(e) In the case of an undertaking that is not an SME, where, for the past two years:

- (1) the undertaking's book debt to equity ratio has been greater than 7.5 and
- (2) the undertaking's EBITDA interest coverage ratio has been below 1.0.