

# 1. Business Continuity Grant Policy

## 1.1. Who is eligible for this grant?

The Business Continuity Grant (BCG) is available to businesses that have previously received a payment from the Additional Restrictions Grant (ARG) except those that are eligible for the Restart Grant from the 1<sup>st</sup> April 2021.

Businesses that have not received ARG will be able to apply for the ARG (previously available between 5<sup>th</sup> November 2020 to 31<sup>st</sup> March 2021). If an application is successful, they will be eligible for BCG.

## 1.2. What is the value of the BCG?

The value of the grant businesses will receive will be determined by the level of property costs evidenced in their application of ARG and the business sector in which they operate as shown in the table below:

Rateable Value or property costs	Hospitality, Leisure & Accommodation	Other Businesses
£15,000 and under	£8,000	£2,667
£15,001 to £50,999	£12,000	£4,000
£51,000 and over	£18,000	£6,000

## 1.3. What business types are considered Hospitality, Leisure & Accommodation businesses?

Hospitality, Leisure & Accommodation (HLA) businesses are those which operate in the hospitality, leisure, accommodation, gym & sports or personal care sectors. The primary purpose of a business will be assessed against the definitions, criteria and example business types to determine the business sector. Eligible businesses which is not operating in one of these sectors will be awarded grant based on the values for Other Businesses.

### 1.3.1. Hospitality

*Definition:* a business whose main function is to provide a venue for the consumption and sale of food and drink

*Criteria:*

Businesses offering in-person food and drink services to the general public.  
Businesses that provide food and/or drink to be consumed on the premises, including outdoors.

Excluding food kiosks and businesses whose main service is a takeaway (not applicable to those that have adapted to offer takeaways during periods of restrictions, in alignment with previous Covid-19 business grant schemes)

*Example business types*

Food courts  
Public houses/pub restaurants  
Restaurants  
Roadside restaurants

Wine bars

Cafes

### 1.3.2. Leisure

*Definition:* a business that provides opportunities, experiences and facilities, in particular for culture, recreation, entertainment, celebratory events, days and nights out

*Criteria:*

Businesses that may provide in-person intangible experiences in addition to goods.

Businesses that may rely on seasonal labour.

Businesses that may assume particular public safety responsibilities.

Businesses that may operate with irregular hours through day, night and weekends.

Excluding all retail businesses, coach tour operators and tour operators.

### 1.3.3. Accommodation

*Definition:* a business whose main lodging provision is used for holiday, travel and other purposes.

*Criteria:*

Businesses that provide accommodation for 'away from home' stays for work or leisure purposes.

Businesses that provide accommodation for short-term leisure and holiday purposes.

Excluding private dwellings, education accommodation, residential homes, care homes, residential family centres, beach huts.

### 1.3.4. Gym & Sport

*Definition:* a commercial establishment where physical exercise or training is conducted on an individual basis or group basis, using exercise equipment or open floor space with or without instruction, or where individual and group sporting, athletic and physical activities are participated in competitively or recreationally.

*Criteria:*

Businesses that offer in-person exercise and sport activities to the general public.

Businesses that are open to members of the public paying an entry or membership fee.

Businesses that require extensive cleaning protocols, which significantly slow down trade.

Businesses that offer exercise classes or activities.

Excluding home gyms, home exercise studios, home sports courts and home sports grounds.

### 1.3.5. Personal care

*Definition:* a business which provides a service, treatment or activity for the purposes of personal beauty, hair, grooming, body care and aesthetics, and wellbeing.

*Criteria:*

Businesses that deliver in-person holistic, beauty and hair treatments.

Businesses that provide services such as tattoos and piercings.

Businesses that offer close-contact services, which are required to deliver the treatment.

Businesses that offer services, treatments or activities that require social distancing and cleaning protocols, which have led to a reduction in their capacity to deliver personal care services.

Excluding businesses that only provide personal care goods, rather than services; businesses used solely as training centres for staff, apprentices and others; businesses providing dental services, opticians, audiology services, chiropody, chiropractors, osteopaths and other medical or health services, including services which incorporate personal care services, treatments required by those with disabilities and services relating to mental health.

#### 1.4. Other Businesses

Businesses which do not fall into the categories for Hospitality, Leisure and Accommodation will be awarded the grant values shown for Other Businesses.

## 2. Standard criteria and requirements

For the avoidance of doubt, businesses that were in administration, are insolvent or where a striking-off notice has been made are not eligible for funding.

Where the funding provided by Government is limited, grant applications will be considered in the order they are received and once the funding provided by Government has been awarded to businesses in full no further grant payments will be approved from payment by the Council. Applications for grants with limited funding will be closed when it becomes reasonably certain that all available funding will be distributed. The Additional Restrictions Grant funding applicable to this policy is £7.8m less grants distributed under the previous Additional Restrictions Grant policy applicable from 5th November 2020.

Recipients of the grants for the occupier/ratepayer are advised that the grant may be liable for recovery if the recipient was not the occupier on the eligible day. Some businesses outside the business rate system may also receive grants and may also be liable for recovery if after payment it transpires that the business did not meet the required criteria for the grant.

Any changes to the rating list after the first full day of localised restrictions and business closures regulations came into force including changes which have been backdated to this date, will be ignored for the purposes of eligibility. Grants will not be adjusted, paid or recovered where the rating list is subsequently amended retrospectively to the date that local restrictions began. In cases where it was factually clear on the local restriction date that the rating list was inaccurate on that date, grant may be withheld and/or awarded based on the Council's view of who would have been entitled to the grant had the list been accurate. This discretion is only intended to prevent manifest errors.

Only businesses with business premises or significant business activities within the London Borough of Hounslow will be eligible for grant payments from the London Borough of Hounslow.

Applicants for grants will be required to provide evidence to confirm the bank account into which the grant will be paid, this should unless agreed by exception be an account in the name of the business applying for the grant.

Where there is more than one liable party per property the grant will be awarded to the ratepayer who bears the business rate liability. In the unlikely event that an unincorporated association are jointly liable for ratepaying in a business mandated to close, then the rate payer will be eligible for one grant.

The payment of any grant under this policy will be determined by the Head of Revenues & Benefits or the Director Commercial and Projects on a case-by-case basis.

Grant income received by a business is taxable therefore funding paid under any of the grants covered in this policy will be subject to tax. However, only businesses which make an overall profit once grant income is included will be subject to tax.

If insufficient evidence is provided with the initial application, a request for additional information will be made with a 2 day window for responses. Applicants will be allowed a 2nd opportunity to provide additional information if the initial response is still not sufficient. If there is no response or the additional information is still not sufficient to support the application, it will be rejected.

The council will not accept applications made by third parties or agents on behalf of businesses.

Businesses which satisfy the criteria of the grant policy but do not apply for a grant will be considered to have declined the grant. Businesses must apply for grants relating to specific periods of closure promptly and the Council reserves the right to close the applications 28 days from the relevant period of restrictions ending.

Businesses will be required to confirm compliances with Subsidy Control guidance.

Businesses will be required to confirm that they comply with the scheme conditions, for example that they did not fall within the definition of an undertaking in difficulty on 31 December 2019 (excluding small and micro businesses - less than 50 employees and less than EUR 10 million of annual turnover and/or annual balance sheet). An 'undertaking in difficulty' is defined as an undertaking in 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.
- 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 under its domestic law 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:
- f) The undertaking's book debt to equity ratio has been greater than 7.5; and The undertaking's earnings before interest, tax, depreciation and amortisation (EBITDA) interest coverage ratio has been below 1.0.

The Council reserves the right to cease this policy at any time for any reason.