

Outdoor Education Centre Sector Grant – Grant Guidance Document

General

1. You must not be in or in the process of going into administration, be insolvent or have issued a striking-off notice. Please notify the Council if these circumstances change. All businesses should be presently trading. For the purposes of this grant scheme, a business is considered to be trading if it is engaged in business activity. This should be interpreted as carrying on a trade or profession, or buying and selling goods or services in order to generate turnover. Indicators that a business is trading typically include:
 - The business has staff on furlough;
 - The business continues to trade online, via click and collect services etc;
 - The business is not in liquidation, dissolved, struck off or subject to a striking of notice or under notice;
 - The business is engaged in business activity; managing accounts, preparing for.
2. This grant should NOT be used as a wage support mechanism, which should instead be supported by the Coronavirus Job Support Scheme (furlough process). The grant IS intended to support businesses with meeting its ongoing core fixed costs. These should be identified within your application and your cash flow forecast.
3. Businesses will be able to claim one grant only per main site. In most instances this will mean one grant per business.
4. Credit Searches, fraud checks and any appropriate internal checks will be undertaken as part of the application process.
5. Only full applications, including all supporting evidence will be considered.
6. Upon submitting your application you will shortly receive a notification email (note: this is not automated).
7. Upon confirming receipt of your application. We will then commence processing your application.
8. The Council reserves the right to vary the terms of the scheme at any time, and without notice, should it be necessary to do so. This grant is funded by the Additional Restrictions Grant which is a fund provided to Local Authorities by the Government to support businesses. The terms of this funding could vary and the Council will have to adhere to any changes.
9. The Council will aim to pay your grant via BACS once your application has been approved. You should anticipate at least 3 working days for the BACS payment to reach your account once your application has been approved.
10. Grant income received by a business is taxable. Therefore funding paid under this grant scheme will be subject to tax. However, only businesses which make an overall profit once grant income is included will be subject to tax.
11. The Government and the Council will not accept deliberate manipulation and fraud - and any business caught falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.
12. Should a grant be paid through Council error, we will contact you and request the return of funds.
13. The Council accepts no liability for any business or organisation who, for ANY reason, failed to make an application and therefore were not considered for a grant.
14. The Council does not accept any liability for any issues that may arise for businesses because of applying for, receiving, or not receiving grant payments under this scheme.

Monitoring

15. As this grant is funded from Public money the Council has a duty to act responsibly, equitably and ensure that due diligence is applied to both the pre-award processing and the post-award monitoring of grants. As part of this process, you will need to complete two monitoring forms (which we will issue). The Council reserves the right to request further supporting evidence pertaining to the grant expenditure should it be required.

Cash Flow Forecasting

16. It is acknowledged that the [Government Guidance](#) for this industry (at time of writing) means that schools are advised not to enter into any new financial or contractual commitments with residential educational centres and that this makes it more difficult to forecast future income. Applicants should therefore make a best attempt, based on anticipated returns to normal business, other income and contingency plans, to complete the form. Please identify the source for each item of income by inserting additional rows as required.

State Aid and Subsidy Control Regulations

17. The UK left the EU on 1 January 2021 and any new grants issued by the Council are subject to subsidy control under EU UK Trade and Co-operation Agreement (TCA). This does not impact upon the limited circumstances in which State Aid rules still apply under the Withdrawal Agreement, specifically Article 10 of the Northern Ireland Protocol. In addition, any grants issued prior to this date remain subject to State Aid rules.
18. 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. These scheme rules should be applied to applicants at the level of economic actor, which is defined as an entity or a group of entities constituting a single economic entity, regardless of its legal status, that is engaged in an economic activity by offering goods or services on a market.
19. There are three subsidy allowances for this scheme:
 - i. 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. An applicant may elect not to receive grants under the Small Amounts of Financial Assistance Allowance and instead receive grants only using the below allowances available under this scheme.
 - ii. the 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. This may be combined with the Small Amounts of Financial Assistance Allowance to equal £1,935,000 (subject to the exact amount applicable under the Small Amounts of Financial Assistance Allowance using the Special Drawing Right calculator).

iii. the 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 the date of application, 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.

An applicant must be able to provide the necessary documentation to demonstrate it is eligible for funding under this COVID-19 Business Grant Special Allowance. Local Authorities must first verify that an applicant can meet all the criteria set out under this allowance before providing further funding under this allowance.

18. Grants provided in excess of the Small Amounts of Financial Assistance Allowance may not be granted to applicants that were defined as an 'undertaking in difficulty' (as defined in Annex A below) on 31 December 2019. In derogation to the above, grants can be granted to micro or small enterprises that were already in difficulty on 31 December 2019 provided that they are not subject to collective insolvency proceedings.
19. The Local Authority is reliant on you to provide correct and timely information on what subsidies (including those previously referred to as 'State Aid') you have received. Therefore you must disclose any aid relevant that you have applied for or are applying for particularly if you are coming close to the allowance thresholds.
20. By submitting an application, you are confirming that this business:
 - was not an 'undertaking in difficulty' on 31 December 2019 as defined in Annex A below

- has not received any other grant awarded in support of dealing with Covid-19 that would make this application, or the award of a grant resulting from it, ineligible.
21. If you have accepted COVID-19 aid from the local authority which has caused your organisation to exceed the new domestic subsidy allowances, the local authority shall be entitled to recover any such payments from you.
22. Any reference to State Aid throughout this document includes reference to subsidy control in relation to grants awarded on or after 1 January 2021. The contents of this document will be reviewed on a regular basis however the accuracy of the guidance with respect to its coverage of the UK's international subsidy commitments cannot be guaranteed at all times for example where agreements are updated or interpreted through WTO case law.

Privacy Statement

23. The information you provide and send to us at North Norfolk District Council will be processed in accordance with the GDPR 2016 and Data Protection Act 2018. The information processed is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the Council.

Decision Making

24. The Grant Panel reserves the right to make a reduced grant offer.
25. All decisions made by the Grant Panel will be final.
26. A Grant Offer Letter will be issued to you and a grant will be paid to your nominated bank account upon confirmation that you accept the terms of the grant offer.

Annex A – 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.