



**Uttlesford District Council
Additional Restrictions Grants (ARG) Scheme
Window 4
1st July 2021 to 31st July 2021**

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Definitions

The following definitions are used within this document:

‘Additional Restrictions Grant (ARG)’ means the additional funding provided by Government. Funding will be made available to eligible Local Authorities;

‘COVID-19’ (coronavirus); means the infectious disease caused by the most recently discovered coronavirus;

‘Department for Business, Energy & Industrial Strategy (BEIS)’; means the Government department responsible for the scheme and guidance;

‘Hereditament(s); means the assessment defined within Section 64 of the Local Government Finance Act 1988;

‘Local Covid Alert Level’ (LCAL) means the level of alert determined by Government and Local Authorities for the area. LCALs have three Tiers. Tier 1 (Medium): Tier 2 (High) Tier 3 (Very High) and Tier 4 (Stay home) For the purposes of these schemes the definitions used are LCAL1, LCAL2 LCAL3 and LCAL4;

‘Local lockdown’; means the same as **‘Local restrictions’**;

‘Local rating list’; means the list as defined by Section 41 of the Local Government Finance Act 1988

‘Local restrictions’; and **‘Localised restrictions’** means legally binding restrictions imposed on specific Local Authority areas or multiple Local Authority areas, where the Secretary of State for Health and Social Care requires the closure of businesses in a local area under regulations made using powers in Part 2A of the Public Health (Control of Disease) Act 1984 in response to the threat posed by coronavirus and commonly as part of a wider set of measures;

‘Ratepayer’; means the person who, according to the Council’s records, was the ratepayer liable for occupied rates in respect of the hereditament at the date of the local restrictions or widespread national restrictions;

‘State Aid Framework’; means the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020;

‘Subsidies’; means the Central Government scheme effective from 4th March 2021 that replaces the state aid framework;

‘Temporary Framework for State aid’; means the same as the **‘State Aid Framework’**.

1.0 Purpose of the Scheme and background.

- 1.1 The purpose of this document is to determine eligibility for a payment under the Council's Additional Restrictions Grant Scheme (ARG) (Window 4). The Council, as the Business Rates Billing Authority is responsible for payment of these grants.
- 1.2 This discretionary grant scheme has been developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 31st October 2020 which sets out the basic circumstances whereby an additional restriction grant payment may be made by the Council to a business which has been severely impacted by the national restrictions that have been put in place to manage coronavirus and save lives.
- 1.3 Whilst the awarding of grants will largely be at the Council's discretion, the Department for Business, Energy & Industrial Strategy (BEIS) has set down criteria which **must** be met by each business making an application.
- 1.4 Additional Restrictions Grants are only available for the 2020/21 and 2021/22 financial years.
- 1.5 The ARG is a discretionary grant scheme used to support the following:
- businesses that have been and continue to be severely impacted by the Coronavirus restrictions; and
 - businesses from sectors that remain closed or severely impacted by the extended restrictions, even if those businesses have already been in receipt of Restart Grants

2.0 Eligibility criteria and awards

- 2.1 The Council is able to use this funding for business support activities and Government envisage this will primarily take form of discretionary grants although it can be used for wider business activities.
- 2.2 The Council will have the discretion to alter the amount of funding offered to individual businesses and the frequency of payment.

Eligibility Criteria

- 2.3 The Council has agreed the following business sectors will be eligible to apply for ARG grants:
- (a) travel and tourism sector;
 - (b) event and event management sector including performance and supply chain;
 - (c) wedding sector and supply chain;
 - (d) taxi drivers/operators (taxi drivers must be an Uttlesford resident **and** an Uttlesford license holder; taxi operators must either have a business premises included in Uttlesford's business rates list or be an Uttlesford resident **and** an Uttlesford license holder);
 - (e) aviation sector and supply chain;

- (f) other – the Council will use its discretion to consider grant applications from any other small or micro business operating in the Uttlesford area that continues to be severely affected by the Coronavirus National Restrictions.

2.4 For the purpose of this scheme the Council has decided that any of the above businesses must meet the following eligibility criteria, at the effective date, in order to receive an Additional Restriction Grant:

- (a) The business must be a Micro, Small or Medium (SME) business, as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and Sections 382 and 465 of the Companies Act 2006;
- (b) has ongoing, fixed business related costs e.g. business premises and/or equipment costs (excluding staffing costs) critical to the continued operation of the business, which are unavoidable. The Council has determined that as part of the application process, the business is required to provide evidence of these costs; and
- (c) businesses must demonstrate that they continue to suffer a significant fall in income due to the COVID-19 crisis; - the Council has determined that businesses certify there has been a 50% fall in income due to the implementation of restrictions. Business will be required to provide evidence to the Council of their income and the Council must be sure that the fall in income is due to the COVID-19 crisis and not a general failure of business.

Award Levels

2.5 Award levels will be based on each individual businesses circumstances, taking into consideration the evidence submitted which must show that following the lifting of Government restrictions on May 17th 2021, your business continues to be severely impacted. Other considerations taken into account, will be;

- no. of employees;
- amount of business grant funding already received (from any coronavirus business support grant scheme); and
- ongoing and unavoidable business related costs.

Awards of up to £3,000 may be made, or up to £10,000 where the business has high property costs and its failure would have a significant impact on residents of the District. Exceptions may be considered but awards are intended not to compensate businesses for losses. They are intended to encourage businesses to continue to invest themselves to secure their survival.

Excluded businesses.

2.6 The following businesses will **not** be eligible for an award:

- (a) Businesses in areas that were outside the scope of the localised restrictions, as defined by Government and those that were not subject to widespread national restrictions;
- (b) These will include businesses in the following sectors:
- Agriculture, forestry or fishing
 - Mining or quarrying
 - Electricity, gas steam and air-conditioning supply

- Water supply or sewerage
 - Financial and insurance services
 - Information and communication services
 - Professional services
 - Recruitment consultants
 - Real estate activities
 - Education or social work activities
 - Manufacturing or construction
 - Medical services
- (c) Businesses which have already received grant payments that equal the maximum subsidy levels (previously) State aid permitted under the de Minimis and COVID-19 Temporary State Framework); and
- (d) Businesses that were in administration, are insolvent or where a striking-off notice has been made at the date of the widespread national restrictions.

The Effective Date

- 2.7 All businesses that are trading and meet other eligibility criteria may apply to receive funding under this scheme. Businesses must have been trading since 1st April 2021 in order to qualify for grant funding.
- 2.8 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. Fully constituted businesses in liquidation, dissolved, struck off or subject to a striking-off notice are not eligible under these conditions.
- 2.9 To help further, some trading indicators are included below that can help assess what can be defined as trading for the purposes of the grant schemes.
- 2.10 Indicators that a business is trading are:
- 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 reopening, planning and implementing COVID-safe measures
- 2.11 This list of indicators is not exhaustive and Local Authorities must use their discretion to determine if a business is trading.

Who can receive the grant?

- 2.12 Government has stated that the person who would normally receive the grant will be the person who, according to the Council's records, was the ratepayer in respect of the hereditament at the effective date. Where the business is not subject to Non-Domestic Rates, the Council will decide who should receive the award.

- 2.13 Where the Council has reason to believe that the information it holds about a ratepayer at the effective date is inaccurate, it may withhold or recover the grant and take reasonable steps to identify the correct ratepayer.
- 2.14 Where, it is subsequently determined that the records held are incorrect, the Council reserves the right to recover any grant incorrectly paid.
- 2.15 Where any business misrepresents information or contrives to take advantage of the scheme, the Council will look to recover any grant paid and take appropriate legal action. Likewise, if any ratepayer is found to have falsified records in order to obtain a grant.

3.0 How will grants be provided to Businesses?

- 3.1 The Council is fully aware of the importance of these grants to assist businesses and support the local community and economy. The Council's Additional Restrictions Grant (ARG) scheme will offer a lifeline to businesses who are struggling to survive due to the COVID-19 crisis.
- 3.2 Details of how to obtain grants are available on the Council's website:
<https://www.uttlesford.gov.uk/covid-business-support-grants>
- 3.3 The Council reserves the right request any supplementary information from businesses, and they should look to provide this, where requested, as soon as possible.
- 3.4 An application for an Additional Restriction Grant is deemed to have been made when a duly completed application form is received via the Council's online procedure.
- 3.5 The Council reserves the right to make changes to this scheme and to allow further application periods.

4.0 Subsidies and EU State Aid requirements

- 4.1 The EU State aid rules no longer apply to subsidies granted in the UK following the end of the transition period.
- 4.2 The United Kingdom, however, remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU.
- 4.3 The Council can still pay out subsidies under previously approved schemes and this includes subsidies related to COVID-19 that have previously been given under the EU State aid Temporary Framework.
- 4.4 Businesses should make themselves aware of their obligations under Government's subsidies arrangements available on via the following link:

<https://www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities>

5.0 Scheme of Delegation

- 5.1 Officers of the Council will administer the scheme and the Director of Finance and Corporate Services is authorised to make technical scheme amendments to ensure it meets the criteria, in line with Government guidance.

6.0 Notification of Decisions

- 6.1 Applications will be considered on behalf of the Council by the Economic Development Team.
- 6.2 All decisions made by the Council shall be notified to the applicant either in writing or by email. A decision shall be made as soon as practicable after an application is received.

7.0 Reviews of Decisions

- 7.1 The Council will operate an internal review process and will accept an applicant's request for a review of its decision.
- 7.2 All such requests must be made in writing to the Council within 14 days of the Council's decision and should state the reasons why the applicant is aggrieved with the decision of the Council. New information may be submitted at this stage to support the applicant's appeal.
- 7.3 The application will be reconsidered by a senior officer, as soon as practicable and the applicant informed in writing or by email of the decision.
- 7.4 The amount of any grant awarded by the Council cannot be challenged.

8.0 Complaints

- 8.1 The Council's 'Complaints Procedure' (available on the Councils website) will be applied in the event of any complaint received about this scheme.

9.0 Taxation and the provision of information to Her Majesty's Revenues and Customs (HMRC)

- 9.1 The Council has been informed by Government that all payments under the scheme are taxable.

9.2 The Council does not accept any responsibility in relation to an applicant's tax liabilities and all applicants should make their own enquiries to establish any tax position.

9.3 All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to businesses.

10.0 Managing the risk of fraud

10.1 Neither the Council, nor Government will accept deliberate manipulation of the schemes or fraud. Any applicant caught falsifying information to gain grant money or failing to declare entitlement to any of the specified grants will face prosecution and any funding issued will be recovered from them.

10.2 Applicants should note that, where a grant is paid by the Council, details of each individual grant may be passed to Government.

11.0 Recovery of amounts incorrectly paid

11.1 If it is established that **any** award has been made incorrectly due to error, misrepresentation or incorrect information provided to the Council by an applicant or their representative(s), the Council will look to recover the amount in full.

12.0 Data Protection and use of data

12.1 All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available on the Council's website.