



**Uttlesford District Council
Additional Restrictions Grants (ARG) Scheme
Window 3
24th March 2021 to 16th May 2021**

Contents

Definitions	3
1.0 Purpose of the Scheme and background.....	4
2.0 Funding.....	4
3.0 Eligibility criteria and awards.....	5
4.0 How will grants be provided to Businesses?	8
5.0 Subsidies and EU State Aid requirements	9
6.0 Scheme of Delegation.....	9
7.0 Notification of Decisions.....	10
8.0 Reviews of Decisions	10
9.0 Complaints.....	10
10.0 Taxation and the provision of information to Her Majesty's Revenues and Customs (HMRC)	10
11.0 Managing the risk of fraud	10
12.0 Recovery of amounts incorrectly paid.....	11
13.0 Data Protection and use of data.....	11

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;

'Effective date'; means, for eligibility of the grant, the date of the local restrictions or the date of widespread national restrictions. For the purpose of this scheme the date cannot be before 14th October 2020;

'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;

'Local Restrictions Support Grant Scheme (Closed)'; means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 9th September 2020 and amended on 9th October 2020 and which is applicable to businesses forced to close under either LCAL2, LCAL3, LCAL4 or where national restrictions are in place;

'Local Restrictions Support Grant Scheme (Closed) Addendum'; means the changes made to the Local Restrictions Support Grant Scheme (Closed) due to widespread nationwide restrictions;

'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). 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 to close or are severely affected due to localised or widespread national restrictions being 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 The scheme applies where local restrictions are put in place **or** where a widespread national lockdown is announced.
- 1.5 Localised restrictions are 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.
- 1.6 National restrictions are nationally binding widespread restrictions imposed by Parliament under legislation. The current national restrictions are made under the Health Protection (Coronavirus, Restrictions) (England) (No. 4) Regulations 2020.
- 1.7 Grants under this scheme will be available for the 2020/21 and 2021/22 financial years only.
- 1.8 No grant shall be paid for any period where the localised or widespread national restrictions were in place prior to 14th October 2020.
- 1.9 Where any area enters either a localised restriction or where a national restriction applies, additional assistance may be given to businesses under the Council's Local Restrictions Support Grants (Closed) Scheme (as amended).

2.0 Funding

- 2.1 Under the Additional Restrictions Grant Scheme (ARG) provisions, Local Authorities will receive a one-off lump sum payment amounting to £20 per head.

- 2.2 Once the Council's area is removed from local restrictions or widespread national restrictions, no additional funding will be received from Government even if either the local restrictions or widespread national restrictions are re-instated.

3.0 Eligibility criteria and awards

- 3.1 The Council is able to use this funding for business support activities and Government envisage that this will primarily take the form of discretionary grants although it can be used for wider business support activities.
- 3.2 If Local Authorities use the Additional Restriction Grant for direct business support grants, Government has stated that the same conditions of grant **must** apply as for the Local Restrictions Support Grant (Closed) scheme. However, the Council will have the discretion to alter the amount of funding offered to individual businesses and the frequency of payment.
- 3.3 Government has stated that the Council *may* also consider making grant payments to those businesses which, while not legally forced to close are nonetheless severely impacted by the restrictions put in place to control the spread of Covid-19. Government has also stated that the Council may also wish to assist business which are outside of the rating system and which are effectively forced to close.

Eligibility Criteria

- 3.4 The Council has agreed the following business sectors will be eligible to apply for ARG grants:
- In the hospitality, hotel, Bed and Breakfast and leisure industries;
 - involved in the supply chains to hospitality, hotel, Bed and Breakfast and leisure businesses;
 - Involved in the supply chain to businesses forced to close;
 - Event and event management businesses; and
 - Other – The Council will use its discretion to consider grant applications from any other small or micro business operating in the Uttlesford area. That is being severely affected by the Coronavirus Local Restrictions. This may include:
 - A business which forms part of the direct supply chain for aviation businesses;
 - A business which directly organises, facilitates, or performs at organised events;
 - A business which supplies to organised events;
 - A business that is not on the rating list that has been forced to close either due to mandatory restrictions or due to the temporary close of their host premises (including non-essential market traders);
 - A business which can demonstrate a heavy reliance on the ability for people to travel;
 - Any business which relies on close physical contact (e.g. personal care workers, hair and beauty, driving instructors, taxi drivers etc); and
 - Limited company directors, financially impacted by Covid-19 who are not located in rateable premises and who cannot furlough themselves and continue to work to save their business

- 3.5 For the purposes 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 or Small business, as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006;**
 - (b) **Business must have ongoing business related costs which are unavoidable and ongoing;**
The Council has determined that as part of the application process the business may be required to provide evidence of these costs; and
 - (c) **Businesses must demonstrate that they have suffered a significant fall in income due to the COVID-19 crisis;** - the Council has determined that businesses certify there has been a significant fall in income due to the implementation of restrictions. Businesses may be required to provided 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

- 3.6 The Council has decided the following grant award levels will apply:
- (a) Up to £10,000 in exceptional cases where the business has high property costs, and the failure of the business would have a significant impact on the residents of the District;
 - (b) Up to £2,000 where businesses were forced to close and are scheduled to re-open on 12th April 2021;
 - (c) Up to £3,000 where businesses were not forced to close but were severely impacted by Government restrictions;
 - (d) Up to £3,000 where businesses were forced to close and are only allowed to partly re-open on 12th April 2021;
 - (e) Up to £1,000 for taxi drivers with a UDC issued licence and a residential address within Uttlesford district;
 - (f) Up to £2,000 for taxi operators with a business address within Uttlesford district; and
 - (g) Up to £500 for non-essential market traders who normally trade at either Saffron Walden, Great Dunmow or Thaxted markets.
- 3.7 In addition, the following sectors will also receive a supplementary business restart grant.
- (a) Up to £2,000 to all eligible businesses in the following sectors and in the supply chains to those sectors:
 - Non-essential retail
 - Personal care
 - (b) Up to £5,000 to all eligible businesses in the following sectors and in the supply chains to those sectors:
 - Gyms and sports
 - Leisure

- Accommodation
- Hospitality

- (c) Up to £500 to be all eligible businesses in the following sectors:
- Non- essential market traders who regularly trade in Saffron Walden, Great Dunmow or Thaxted weekly markets- £500

The Council reserves the right to change the amount of the grant awards, depending on the number of applications received.

Excluded businesses – both local and national restrictions

- 3.8 The following businesses will **not** be eligible for an award:
- (a) Businesses in areas outside the scope of the localised restrictions, as defined by Government and not subject to a widespread national restriction;
 - (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 activities;
 - Information and communication activities;
 - Real estate activities;
 - Education or social work activities;
 - Businesses primarily operating in manufacturing will only be eligible where it is demonstrated that supplying aviation, hospitality, leisure or accommodation businesses provides a significant proportion of their overall revenue;
 - Businesses primarily operating in construction will only be eligible where it is demonstrated that supplying aviation, hospitality, leisure or accommodation businesses provides a significant proportion of their overall revenue;
 - Newly self-employed will only be eligible where they have not been able to receive support from the Self-Employment Income Support Scheme (SEISS);
 - (c) Businesses which have already received grant payments that equal the maximum levels of State aid permitted under the de minimis and the COVID-19 Temporary State Aid Framework; and
 - (d) Businesses that were in administration, are insolvent or where a striking-off notice has been made at the date of the local restriction or widespread national restriction.

The Effective Date

- 3.9 All businesses that are trading and meet other eligibility criteria may apply to receive funding under this scheme. There is no starting date from which businesses must have been trading in order to qualify for grant funding.
- 3.10 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.

- 3.11 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.
- 3.12 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-off notice or under notice;
 - The business is engaged in business activity, managing accounts, preparing for reopening, planning and implementing COVID-safe measures
- 3.13 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?

- 3.14 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.
- 3.15 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.
- 3.16 Where, it is subsequently determined that the records held are incorrect, the Council reserves the right to recover any grant incorrectly paid.
- 3.17 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.
- 3.18 Where there is no entry in the rating list for the business, the Council will have discretion to determine who should receive the grant.

4.0 How will grants be provided to Businesses?

- 4.1 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 together with the Local Restrictions Support Grant (Open) and (Closed) will offer a lifeline to businesses who are struggling to survive during the COVID-19 crisis.
- 4.2 Details of how to obtain grants are available on the Council's website:

<https://www.uttlesford.gov.uk/covid-business-support-grants>

- 4.3 In all cases, businesses will be required to confirm that they are eligible to receive the grants. This includes circumstances where the Council already has bank details for the business and are in a position to send out funding immediately. Businesses are under an obligation to notify the Council should they no longer meet the eligibility criteria for any additional grants.
- 4.4 The Council reserves the right request any supplementary information from businesses, and they should look to provide this, where requested, as soon as possible.
- 4.5 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.
- 4.6 All monies paid under this scheme will be funded by Government and paid to the Council under S31 of the Local Government Act 2003.
- 4.7 The Council reserves the right to make changes to this scheme and to allow further application periods.

5.0 Subsidies and EU State Aid requirements

- 5.1 The EU State aid rules no longer apply to subsidies granted in the UK following the end of the transition period.
- 5.2 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.
- 5.3 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.
- 5.4 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>

6.0 Scheme of Delegation

- 6.1 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.

7.0 Notification of Decisions

- 7.1 Applications will be considered on behalf of the Council by the Revenues and Benefits Service.
- 7.2 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.

8.0 Reviews of Decisions

- 8.1 The Council will operate an internal review process and will accept an applicant's request for a review of its decision.
- 8.2 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.
- 8.3 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.
- 8.4 The amount of any grant awarded by the Council cannot be challenged.

9.0 Complaints

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

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

- 10.1 The Council has been informed by Government that all payments under the scheme are taxable.
- 10.2 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.
- 10.3 All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to businesses.

11.0 Managing the risk of fraud

- 11.1 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.

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

12.0 Recovery of amounts incorrectly paid

- 12.1 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.

13.0 Data Protection and use of data

- 13.1 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.