



# Stroud District Council Additional Restrictions Grants (ARG) Scheme 6

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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 at the point that national restrictions are imposed or at the point the Local Authority first entered LCAL 3 local restrictions;

**'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 is

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

**'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

**'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;

**'Subsidy Allowance';** refers to the provisions which exist from 4 March 2021 to limit the amount of funding any one organisation or business can receive as part of grants schemes put in place by the government.

## **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 the ARG guidance provided to local authorities by the Department for Business, Energy and Industrial Strategy (BEIS) issued on 21 December 2021. This guidance sets out the basic circumstances whereby an additional restriction grant payment may be made by the Council to a business.

1.3 Whilst the awarding of grants will largely be at the Council's discretion, BEIS has set down criteria which must be met by each business making an application.

1.4 This document sets out the criteria which BEIS has provided to the Council to determine eligibility for this discretionary scheme. It also outlines the approach the Council will take in determining whether an award should be paid or not.

## **2.0 Funding**

2.1 The Additional Restrictions Grant Scheme (ARG) aims to support businesses severely impacted by coronavirus restrictions and the rise of the Omicron variant, when most needed.

2.2 Local Authorities received an allocation of the £500 million top-up to the ARG scheme in January 2021, as a result of further national restrictions being imposed. This allocation was based on a per-head calculation.

2.3 Local Authorities received an allocation of the £425 million top-up announced in the 2021 Budget, based on the Local Authorities spending their existing allocations of ARG.

2.4 On 21 December 2021, the Government announced that a further £102 million would be made available for Local Authorities, as a top up to the ARG.

2.5 The Council can make payments from any of the funding until 31 March 2022. Expenditure cannot exceed the allocated funding and the council will limit the total awards to the level of funding available from Government.

## **3.0 Exclusions to Additional Restrictions Grant Funding**

3.1 Businesses that have already received grant payments that equal the maximum permitted levels of subsidy will not be eligible to receive funding.

3.2 Businesses that are in administration, insolvent or where a striking-off notice has been made, are not eligible for funding under this scheme.

3.3 ARG funding should not be used as a wage support mechanism, for capital projects that do not provide direct business support, or to fund projects whereby Local Authorities are the recipients.

3.4 The business is entitled to receive a grant under the Omicron Hospitality and Leisure Grant.

3.5 The Council reserves the right to withhold payment and has discretion to determine which businesses to support

## **4.0 Eligibility criteria and awards**

4.1 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.

4.2 The Council will have the discretion to alter the amount of funding offered to individual businesses.

4.3 To be eligible for this scheme businesses must be registered with Companies House, HM Revenue and Customs (HMRC) for VAT purposes or for sole traders and partnerships registered for self-assessment purposes HMRC.

### **Eligibility Criteria**

4.4 For the purpose of this scheme the Council has decided that the following eligibility criteria must be met in order to receive an Additional Restriction Grant:

4.5 Support will be provided to those businesses that may have been severely impacted by the current restrictions and uncertainty caused by the Omicron variant, including those outside of the business rates system.

4.6 Businesses must fall into one of the following sectors:

- Hospitality, Accommodation and Leisure for businesses outside of the business rates system only
- personal care
- travel and tourism including group travel, travel agents and tour operators, coach operators
- wedding industries
- nightclubs
- theatres
- events industries
- wholesalers
- English language schools
- Breweries
- Freelance and mobile businesses including caterers, events, hair, beauty and wedding related businesses
- gyms

- other businesses that may not have received other grants funding

## **Award Levels**

4.7 The Council has decided that grant awards will be based on the following:

- A business that is run from a domestic property or does not pay rent for a business premises will receive a one-off payment.
- A business that does not operate from a business rated premises but pays rent for a property used for business purposes will receive one grant per business.
- A business that operates from a business rated property will receive a grant payment based on the rateable value at 30 December 2021
  - £15,000 or under
  - £15,001 to £50,999
  - £51,000 or over

4.8 Payments will be made once the application has been checked and assessed.

4.9 The grant awards will be based on the number of successful applications

4.10 Council has complete discretion to determine and change the amount of grant award to businesses and there will be no right of appeal against the amount.

## **The Effective Date**

4.11 The effective date for eligibility is 30/12/2021.

## **Who can receive the grant?**

4.12 Government has stated that the person who will 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.

4.13 Where the Council has reason to believe that the information it holds about the applicant or ratepayer at the effective date is inaccurate, it may withhold or recover the grant and take reasonable steps to identify the correct ratepayer.

4.14 Where, it is subsequently determined that the records held are incorrect, the Council reserves the right to recover any grant incorrectly paid.

4.15 Where any business or individual 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 business is found to have falsified records in order to obtain a grant.

## **5.0 How will grants be provided to businesses?**

5.1 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

5.2 Details of how to obtain grants are available on the Council's website: [www.stroud.gov.uk/business/business-rates](http://www.stroud.gov.uk/business/business-rates)

5.3 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.

5.4 Businesses will be required to provide a bank statement for December 2021 showing the name of the business account, the address, sort code and account number.

5.5 Businesses who rent a property which is not on the Valuation Office Agency's rating list will need to provide evidence of a lease agreement.

5.6 Businesses will be asked to explain how they have been impacted by the emergence of the Omicron variant, and this explanation will be used to assess their eligibility for a grant. It is therefore important that applicants take time to offer a full explanation of the impact.

5.7 The Council reserves the right to request any supplementary information from businesses, and they should look to provide this, where requested, as soon as possible.

5.8 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.

5.9 All monies paid under this scheme will be funded by Government and paid to the Council under S31 of the Local Government Act 2003.

## **6.0 Subsidy Control**

6.1 The new domestic subsidy allowance for the Covid-19 business support grants took effect on 4 March 2021, on the basis of the principals set out in Article 3.4 of the Trade and Corporation Agreement (TCA) with the EU. The new subsidy allowance scheme is covered by 3 subsidy allowances:

- Small amounts of financial assistance allowance – you're allowed up to £335,000 (subject to exchange rates) over any period of 3 years
- Covid-19 business grant allowance – you're allowed up to £1,900,000
- Covid-19 business grant special allowance - if you have reached your limits

Under the small amounts of financial assistance allowance and Covid-19 business grant allowance, the business may be able to access a further allowance of funding under these scheme rules of up to £10,000,000, provided certain conditions are met.

Grants under these 3 allowances can be combined for a potential total allowance of up to £12,235,000 (subject to exchange rates and certain condition are met).

6.2 Any grant awarded is required to comply with the subsidy allowance rules. The applicant will be required to declare to the Council that they will exceed the limits.

## **7.0 Scheme of Delegation**

7.1 The Council has approved this scheme.

7.2 Officers of the Council will administer the scheme and the Section151 Officer is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with Government guidance.

## **8.0 Notification of Decisions**

8.1 Eligibility and applications will be considered on behalf of the Council by the Revenues and Benefits Service.

8.2 All decisions made by the Council shall be notified to the applicant by email. A decision shall be made as soon as practicable after the application window has closed.

8.3 The Councils decision is final and there is no right of appeal.

## **9.0 Complaints**

9.1 The Council's 'Complaints Procedure' (available on the Councils 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)**

10.1The Council has been informed by Government that all payments under the scheme are taxable.

10.2The 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.

10.3All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to businesses.



10.4 Grant income received by a business is taxable. The ARG will need to be included as income in the tax return of the business.

## **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.

13.2 All information provided by applicant may be shared with BEIS. The BEIS privacy notice, setting out how BEIS will handle personal data across all Covid-19 business grants, can be found here - <https://www.gov.uk/government/publications/covid-19-grant-schemes-privacy-notice/covid-19-grant-schemes-privacy-notice>.