



MALDON DISTRICT COUNCIL

**Maldon District Council
Additional Restrictions Grants (ARG) Scheme
January 2022**

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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;

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

'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;

'Subsidies'; means the Government's replacement scheme for the previous state aid framework;

'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; and

'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 Treasury on 21st December 2021 and the Omicron Hospitality and Leisure Grant guidance on 30th December 2021. Both relate to an economic support package designed to support businesses that are experiencing difficulties because of the Omicron variant, and the dual impact of staff absences and lower consumer demand.
- 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 Funding under the Additional Restrictions Grant (ARG) scheme is only available for the 2021/22 financial year and all grants will be paid by 31st March 2022 in accordance with Government guidance.
- 1.5 This ARG will provide assistance and further support to businesses from certain defined sectors that may have been severely impacted by restrictions due to the Omicron variant.

2.0 Funding

- 2.1 Under the Additional Restrictions Grant Scheme (ARG) provisions, local authorities have received limited funding from Central Government.
- 2.2 In view of that, should funding be exhausted, the Council reserves the right to either reduce the awards available or to close the scheme.

3.0 Eligibility criteria and awards

Eligibility Criteria

- 3.1 The Council has decided that the businesses who can apply for a grant under this scheme are businesses that have ongoing, unavoidable, fixed property costs, have been severely impacted by the Omicron variant of Coronavirus **and** are either:
 - (a) Businesses that are predominately reliant on social indoor mixing (e.g., hospitality, leisure, event/event management and accommodation sectors); **or**
 - (b) are businesses in the supply chain for hospitality, leisure, event/event management and accommodation sectors; **or**
 - (c) are businesses where are not directly liable for business rates and whose business rates are included within rents (e.g., those operating in shared spaces).

Award Levels

- 3.2 Where a business is eligible under 3.1 above, a single one-off payment of £1,000 will be awarded.

Exceptional cases

- 3.3 A one-off grant of up to £10,000 *may* be available in exceptional cases, where other criteria are met, *and* where the failure of the business would have a significant impact on the residents of the district.

4.0 Excluded businesses

- 4.1 The following businesses will **not** be eligible for an award:
- (a) Businesses that have not been affected by the Omicron variant;
 - (b) Businesses that have chosen to close but not been required to, will not be eligible;
 - (c) Businesses which have already received grant payments that equal the maximum levels of subsidy as defined within this policy; 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.

5.0 Who can receive the grant?

- 5.1 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. Where there is no entry in the rating list for the business, the Council will have discretion to determine who should receive the grant.
- 5.2 Where the Council has reason to believe that the information it holds about the applicant is inaccurate, it may withhold or recover the grant.
- 5.3 Where, it is subsequently determined that the records held are incorrect, the Council reserves the right to recover any grant incorrectly paid.
- 5.4 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 person is found to have falsified records in order to obtain a grant.

6.0 How will grants be provided to Businesses?

- 6.1 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 during to the COVID-19 crisis.
- 4.2 Details of how to obtain grants are available on the Council's website:
<https://www.maldon.gov.uk/business>
- 4.3 A three-week period will be provided by the Council during which applications can be made. Details are shown on the Council's website.
- 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.

7.0 Subsidies and EU State Aid

- 7.1 Grants under this Scheme will be given under one of the Subsidy Allowances. In calculating allowance limits, applicants are required to include any other De Minimis state aid or aid received under the EU Commission Temporary Framework for State Aid published on 19th March 2020. The applicant will be required to declare to the Council if they have received any other State Aid or Subsidy Allowances.
- 7.2 The applicant may receive a grant under this Scheme using one of the following Subsidy Allowances:
- (a) Small Amounts of Financial Assistance Allowance: applicants may receive financial assistance of up to £335,000 in any three-year period, calculated over the current year and the two previous ones;
 - (b) Covid-19 Business Grant Allowance: applicants may receive financial assistance of up to £1,600,000. This allowance includes grants previously received under the Covid-19 business grant schemes and any State Aid previously received under the EU Commission's Temporary Framework;
 - (c) Covid-19 Business Grant Special Allowance: if the applicant has reached its limit under the Small Amounts of Financial Assistance Allowance and the Covid-19 Business Grant Allowance, it may be able to access a further allowance of funding. The applicant must meet a number of conditions before any subsidy can be received. Further advice is available on the gov.uk website.

8.0 Scheme of Delegation

- 8.1 The Council has approved this scheme.
- 8.2 Officers of the Council will administer the scheme and the Section 151 Officer is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with Government guidance.

9.0 Notification of Decisions

- 9.1 Applications will be considered on behalf of the Council by the Service Delivery Team.
- 9.2 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.

10.0 Reviews of Decisions

- 10.1 The Council will operate an internal review process and will accept an applicant's request for a review of its decision.
- 10.2 All such requests must be made in writing by email 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.
- 10.3 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.

11.0 Complaints

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

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

- 12.1 The Council has been informed by Government that all payments under the scheme are taxable.
- 12.2 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.
- 12.3 All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to businesses.

13.0 Managing the risk of fraud

- 13.1 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.
- 13.2 Applicants should note that, where a grant is paid by the Council, details of each individual grant may be passed to Government.

14.0 Recovery of amounts incorrectly paid

- 14.1 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.

15.0 Data Protection and use of data

- 15.1 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.