



Harlow Council Additional Restrictions Grants (ARG) Scheme

Contents

Definitions	3
1.0 Purpose of the Scheme and background.....	4
2.0 Funding.....	4
3.0 Eligibility criteria and awards.....	4
4.0 Excluded businesses	6
5.0 Who can receive the grant?	6
6.0 How will grants be provided to Businesses?	6
7.0 Subsidies and EU State Aid	7
8.0 Scheme of Delegation.....	7
9.0 Notification of Decisions.....	7
10.0 Reviews of Decisions	7
11.0 Taxation and the provision of information to Her Majesty’s Revenues and Customs (HMRC)	8
12.0 Managing the risk of fraud	8
13.0 Recovery of amounts incorrectly paid.....	8
14.0 Data Protection and use of data.....	8

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.

‘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

‘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 (Restart); means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy which is applicable to certain businesses with effect from 1st April 2021;

‘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 Government’s replacement scheme for the previous state aid framework; 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) with effect from 1st July 2021. 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 revised guidance issued by the Secretary of State for Business, Energy & Industrial Strategy.
- 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 Local Authorities are encouraged to support businesses from all sectors that may have been severely impacted by restrictions but are not eligible for the Restart Grant scheme, including those outside of the business rates system. Following the decision to delay stage 4 of the roadmap, the Council has decided to focus support on those sectors that remain closed or are severely impacted by the extended restrictions, even if those businesses have already been in receipt of Restart Grants.

2.0 Funding

- 2.1 Under the Additional Restrictions Grant Scheme (ARG) provisions, the Council has received a fixed amount of funding. The total funding has effectively been paid to allow support to businesses until 31st March 2022, however as the level of funding is fixed, the Council reserves the right to amend this scheme at any time.

3.0 Eligibility criteria and awards

- 3.1 The Council is able to use this funding for business support activities and for this particular scheme, the Council has decided that the business in the following sectors will be able to apply for awards.
 - Travel & tourism sector, including group travel, travel agents and tour operators;
 - Wedding industries;
 - Nightclubs;
 - Theatres;
 - Events Industries;
 - Wholesalers;
 - English Language schools;
 - Breweries;
 - Freelance & Mobile businesses (including caterers, events, hair, beauty and wedding related businesses), and
 - Other businesses that may not have received other grant funding.

- 3.2 All businesses must:
- (a) be wholly or mainly based in the Harlow District area; and
 - (b) be able to demonstrate **with evidence** that they have remained closed or are severely financially impacted by the extended restrictions even where a Restart Grant has been paid.
- 3.3 In the case of (b) above, the Council will require the business to provide evidence that the business is closed **or** proof that the income of the business has been severely impacted during the national lockdown in comparison with a similar trading period prior to March 2020.
- 3.4 When deciding any award, the Council will also take into account whether the business has relatively high ongoing fixed property related costs and where appropriate, the number of local employees
- 3.5 As with previous schemes, the Council will need to consider whether the business is able to trade on-line or remotely.

Award Levels

- 3.6 In addition to the criteria in 3.3 to 3.5 above, the business must also qualify as one of the following:
- **“Micro”** as defined by s384A (and not excluded by s384B) of the Companies Act 2006; or
 - **“Small”** as defined by s382 and 383 (and not excluded by s384) of the Companies Act 2006; or
 - **“Medium-Sized”** as defined s465 and 466 (and not excluded by s467) of the Companies Act 2006;
- 3.7 The business must have all up-to-date and relevant certificate(s) to show compliance with laws and regulations relevant to its trade (for example a food hygiene certificate, a licence to sell alcohol, permission to operate a pavement seating area, trading authority) and in addition, business must ensure, and will continue to ensure, adherence to all COVID regulations where appropriate.
- 3.8 The maximum award available under this scheme is £5,000 per eligible business.
- 3.9 The amounts awarded to eligible businesses will be based on the size of their business and will not exceed the following thresholds:
- (a) Eligible Micro businesses (0-4 employees) – £1,500
 - (b) Eligible Micro businesses (5-9 employees) - £3,000
 - (c) Eligible Small businesses (10-49 employees) – £4,000
 - (d) Eligible Medium businesses (50-249 employees) – £5,000

4.0 Excluded businesses

- 4.1 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) 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 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

- 4.2 The effective date of this scheme shall be 1st July 2021.

5.0 Who can receive the grant?

- 5.1 In **all** cases, 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.
- 5.2 Where the Council has reason to believe that the information it holds about the ratepayer at the effective date is inaccurate, it may withhold or recover the grant and take reasonable steps to identify the correct ratepayer.
- 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 ratepayer is found to have falsified records in order to obtain a grant.
- 5.5 Where there is no entry in the rating list for the business, the Council will have discretion to determine who should receive the 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 the COVID-19 crisis.
- 6.2 Details of how to obtain grants are available on the Council's website:
<https://www.harlow.gov.uk/coronavirus/businesses>

- 6.3 The Council reserves the right request any supplementary information from businesses, and they should look to provide this, where requested, as soon as possible.
- 6.4 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.

7.0 Subsidies and EU State Aid

- 7.1 The EU State aid rules no longer apply to subsidies granted in the UK following the end of the transition period.
- 7.2 The United Kingdom remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU.
- 7.3 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.

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 Deputy to the Chief Executive and Head of Finance & Property Services 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 Revenues and Benefits Service.
- 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 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 in consultation with an elected councillor, as soon as practicable and the applicant informed in writing or by email of the decision. This decision shall be final.

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

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

11.2 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.

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

12.0 Managing the risk of fraud

12.1 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.

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

13.0 Recovery of amounts incorrectly paid

13.1 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.

14.0 Data Protection and use of data

14.1 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.