



New Forest District Council

Additional Restrictions (Discretionary)  
Grant Scheme (ARG)

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## Definitions

The following definitions are used within this document:

'Additional Restrictions (Discretionary) Grant (ARG)' means 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. For the purpose of this scheme the date cannot be before 9 September 2020;

'In-person services' means services which are wholly or mainly provided by the business to their customers face to face and which cannot be provided by other means such as online or remotely by telephone, email, video link, or written communication;

'Local Covid Alert Level' (LCAL) means the level of alert determined by Government and Local Authorities for the area. LCAL's have three tiers; Tier 1 (Medium), Tier 2 (High) and Tier 3 (Very High). For the purpose of these schemes the definitions used are LCAL1, LCAL2 and LCAL 3.

'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 9 September 2020, amended on 9 October 2020 and which is applicable to businesses forced to close under either LCAL3 or where national restrictions are in place;

'Rateable value' means the rateable value for the hereditament shown in the Council's local rating list at the date of the local restrictions;

'Ratepayer'; means the person who according to the Council's records, was liable for occupied rates in respect of the hereditament at the date of the local restrictions and the person eligible to receive the grant;

'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. 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 (Discretionary) Grant scheme (ARG).
- 1.2 The Grant Scheme has been developed in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 31 October which sets out circumstances whereby a grant payment may be made by the Council to a business which has been impacted by widespread restrictions being put in place to manage coronavirus and save lives.
- 1.3 Whilst the awarding of grants will be the Council's responsibility, 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 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 imposed by Parliament under legislation. The current national restrictions are made under the Health Protection (Coronavirus Restrictions) (England) (No. 4) Regulations 2020.
- 1.7 The ARG scheme is designed to support those businesses which have been impacted by national restrictions but not necessarily forced by law to close and those that have been forced to close but are not a ratepayer.

## 2. Funding

- 2.1 Local Authorities will receive funding to meet the cost of payments to businesses. New Forest District Council has received £3,601,720 based upon a calculation of £20 per head of resident population. This funding may be allocated across financial years 2020/21 and 2021/22. There will be no further additional funding once this allocation has been distributed.

## 3. Eligibility criteria and awards

- 3.1 Local Authorities can determine how much funding to provide to businesses from the ARG allocation, and exactly which businesses to support. The funding is intended to be spent primarily on awarding grants to businesses. However local authorities are also able to use the funding allocation for wider business support activities. It is not anticipated or intended that the initial grant funding scheme below will utilise all the allocated ARG funding; allowing for further grant funding tranches and/or business support activities in response to the impacts of Covid-19 within the permissible dates. Additional business support may take several forms including, but not limited to, business advice/mentioning, resident workforce training & development and measures to safeguard/create local employment.
- 3.2 Government, whilst wanting Councils to exercise their local knowledge and discretion, has set national criteria for the funds. In all cases, the Council will only consider businesses for grants where **all** of the criteria are met. Businesses will only be eligible where they are trading from those premises on the day before restrictions come into force.

## Grant awards and frequency of payment

- 3.3 One-off grants may be paid in recognition of fixed property costs incurred by the following types of business, based within New Forest District only and not eligible for the Local Restrictions Support Grants (LRS), that are impacted (but not necessarily closed) by the National Restrictions for the period 5 November – 2 December 2020.
- 3.4 The priority for the grants awarded will be:
- businesses in the retail, hospitality, events and leisure sectors
  - businesses in the immediate supply chain for the above sectors
  - business required to close by law but which do not pay business rates (and are therefore not eligible for the Local Restrictions Support Grants (LRS))

For eligible businesses the ARG will be paid in one instalment.

- 3.5 The grant awards for eligible businesses operating from commercial premises are as follows:
- £1,334 if annual cost of commercial rent or business rates or mooring fees or market stalls fees up to £15,000
  - £2,000 if annual cost of commercial rent or business rates or mooring fees or market stalls fees up to £15,001 to £51,000
  - £3,000 if annual cost of commercial rent or business rates or mooring fees or market stalls fees up to £51,000
- 3.6 Businesses based in a domestic dwelling which do not have commercial property costs (including B&B registered for Council Tax rather than Business Rates) but can provide evidence that they meet the eligibility criteria in 3.7, a one-off fixed grant rate of £750 will be awarded.
- 3.7 An eligible business must be able to demonstrate that:
- a) It operates within one of the sectors, or in its immediate supply chain, as detailed at Section 3.10 of this document.
  - b) National Restrictions, in place between 5 November – 2 December 2020, have impacted on the business.
  - c) It occupies commercial premises within the New Forest District Council area OR
  - d) If based in a domestic dwelling, is located within New Forest District, can provide evidence of trading and operates in the sectors listed at Section 3.10 or in their immediate supply chain.
  - e) It has a dedicated Business, Charities or Clubs & Societies bank statement for October 2020 (bank statements from a personal account will not be accepted), clearly showing the bank account holder's name, sort code and account number and business address.
  - f) The business can accept the grant under State Aid regulations.
  - g) It was considered a 'non-essential' business during the first period of lockdown.
  - h) It was trading on or before 4 November 2020 i.e. continuing to trade with a view to making a profit or surplus (not a dormant company). This will ensure the grant is targeted at businesses whose owners/directors have demonstrated that they believe the business remains viable after the second period of lockdown (5 November – 2 December 2020).
  - i) Is compliant with laws and regulations relevant to its trade, for example has a food hygiene certificate, a license to sell alcohol, permission to operate a pavement seating area.
  - j) It is not subject to enforcement action by the Police or a Regulatory Authority for an order for non-compliance with Covid-19 regulations or food hygiene standards.

## **Excluded businesses**

- 3.8 The following businesses will not be eligible for a grant:
- a) Has received, or is eligible for, the Local Restrictions Support Grants (LRSB), payable to the rate payer of qualifying business
  - b) Cannot demonstrate that the National Lockdown 5 November – 2 December 2020 has impacted the business.
  - c) Is dissolved or about to be dissolved;
  - d) Is insolvent or if insolvency action had been instigated against it (including any petition or where a striking off notice has been made);
  - e) Is dormant as of the 4 November 2020, i.e. not trading but not insolvent;
  - f) Has ceased trading or has closed without being required to do so as part of Government and local restrictions;
  - g) Is subject to environmental health or planning enforcement prosecution since 1 April 2020;
  - h) Is located outside the New Forest District;
  - i) Does not have a dedicated Business, Charities or Clubs and Societies bank account. (Personal bank statements will not be accepted);
  - j) Occupies premises solely used as a meeting venue for groups such as youth clubs etc. Not for profit organisations that manage multi-purpose community buildings must be able to demonstrate they meet all of the eligibility criteria.
  - k) Is a business at the same address as another business applying for the ARG Scheme or the Local Restrictions Support Grant. Only one application per address will be accepted including for businesses based in a domestic dwelling. An exception will only be made for commercial premises which may have fixed costs relating to more than one business i.e. shared office space. However, any evidence of individual fixed cost associated with this may only be submitted once.
  - l) Is a business which has already received grant payments that equal the maximum levels of State aid permitted under the de minimis and the COVID19 Temporary State Aid Framework.
  - m) Further, a business will be excluded from applying for a grant if, on the date it makes the application for this grant, it is counted as an “essential business” under previous Government COVID-19 regulations and/or is unlikely to have been negatively affected by Covid-19 restrictions. For example, supermarkets, takeaways, corner shops and off-licenses would be ineligible for support under this scheme.

## **Business sectors that are eligible to apply**

- 3.9 It is recognised that the national restrictions have particularly impacted specific sectors either because of the requirement by law to close or through the associated supply chains. The following list assumes all other eligibility criteria can be met. Please note this list is not exhaustive and the Council reserves the right to amend the list at its own discretion and it will be the final arbiter of the definitions contained below.
- 3.10 Business eligible for the Local Restrictions Support Grant (LRSB) cannot also apply to the ARG Scheme. This includes:
- a) Amusements, visitor attractions, art gallery / museum (not publicly owned)
  - b) Outdoor Pursuits Centre, Play Centre /Soft Play Centre [commercial enterprises only i.e. with a view to making a profit or surplus]
  - c) Businesses organising events, conferences, weddings etc
  - d) Businesses providing services and equipment to events, conferences, weddings etc including catering, florists, sound systems, safety equipment etc
  - e) Pubs, licenced bars, restaurants and cafés
  - f) Tour operators including coach hire, boat hire etc

- g) Tattoo parlours, tanning salons, nail salons, spas & beauty services, hair salons, barbers (including mobile services)
- h) Theatre, Cinema or Event Spaces [commercial enterprises only i.e. with a view to making a profit or surplus]
- i) Gyms, dance centres [commercial enterprises only i.e. with a view to making a profit or surplus]
- j) Hotels, guesthouses, bed & breakfast accommodation registered as a food business with NFDC Environmental Health (not Airbnb accommodation), self-catering accommodation, camping and caravan sites.
- k) Non-essential retail outlets used for the sale of goods to visiting members of the public.
- l) Outdoor sporting venues including golf clubs, riding centres etc [commercial enterprises only i.e. with a view to making a profit or surplus]
- m) Businesses and self-employed people operating in the above sectors and in their immediate supply chain.

### **The Effective Date**

- 3.11 The effective date for eligibility is determined as follows:
- In the case of local restrictions, the date of the local restrictions, and
  - In the case of widespread national restrictions, the date of the commencement of the widespread national restriction

### **4. 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 Local Restrictions Support Grant (Closed) scheme together with the Council's Additional Restrictions (Discretionary) 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 at [www.nfdc.gov.uk](http://www.nfdc.gov.uk)
- 4.3 In all cases businesses will be required to confirm that they are eligible to receive the grant. 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 to request any supplementary information from businesses to support or clarify their application.
- 4.5 An application for an Additional Restrictions (Discretionary) Grant is deemed to have been made when a duly completed application form is received via the Council's online procedure along with any supporting information that has been requested.
- 4.6 If the application is not accompanied by the required supporting evidence, the business will be contacted once only using the contact details they have supplied to provide all of the required information. If NFDC does not receive the information requested response within 5 working days, the application will automatically be rejected, and no further contact will be made by NFDC.
- 4.7 All monies paid under this scheme will be funded by Government and paid to the Council under S31 of the Local Government Act 2003.

## **5. EU State Aid requirements**

- 5.1 Any Additional Restrictions Grant is given as aid under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020. This means that businesses receiving support under these provisions can receive up to €800,000 in aid over three years (being the current and the previous two years).
- 5.2 Any grant awarded is required to comply with the EU law on State Aid. This will involve the applicant declaring to the Council if they have received any other de minimis State aid or aid provided under the EU Commission COVID-19 Temporary Framework.
- 5.3 If the applicant has not received any other de minimis State aid, they are not required to make that declaration to the Council or to complete any declaration statement.

## **6. Scheme of Delegation**

- 6.1 The Council has implemented this scheme in line with Government requirements and guidance and has been approved by the Portfolio Holders for Finance, Investment and Corporate Services and Economic Development.
- 6.2 Officers of the Council will administer the scheme and the Service Manager – Revenue and Benefits reserves the right to make minor changes to this scheme as necessary in consultation with the Portfolio Holder for Finance, Investment and Corporate Service and Portfolio Holder for Economic Development to ensure it meets the criteria set by the Council and, in line with Government guidance.

## **7. Notification of Decisions**

- 7.1 Applications will be considered on behalf of the Council by the Economic Development Team
- 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. Reviews of Decisions**

- 8.1 The Council will operate an internal review process and will accept an applicant's request for an appeal of its decision.
- 8.2 All such requests must be made in writing or 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.
- 8.3 The application will be reconsidered by the Service Manager – Revenue and Benefits, as soon as practicable and the applicant informed in writing or by email of the decision. This decision is final.

## **9. 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. 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 this 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. Managing the risk of fraud**

- 11.1 Neither the Council, nor the Government will accept deliberate manipulation of the scheme 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. The council will actively participate in any exercises to detect and prevent fraud and will report to and work with the National Investigation Service and the National Anti-Fraud Network.
- 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. 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. 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.