



New Forest District Council

New Forest Additional Restrictions Grant-Omicron  
Policy

January 2022

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## **Definitions**

The following definitions are used within this document:

'ARG-Omicron' means the New Forest Additional Restrictions Grant-Omicron

'Department for Business, Energy & Industrial Strategy (BEIS)'; means the Government department responsible for the scheme and guidance.

'Effective date'; means 30 December 2021

'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 compiled and maintained by the Valuation Office Agency

'Rateable value' means the rateable value for the hereditament shown in the local rating list on 30 December 2021

'Ratepayer'; means the person who according to the Council's records, was liable for occupied rates in respect of the hereditament on 30 December 2021 and the person eligible to receive the grant

Subsidy Allowance means the Small Amounts of Financial Assistance Allowance, the COVID-19 Business Grant Allowance and the COVID-19 Business Grant Special Allowance

## 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 Grant-Omicron policy. This scheme is effective from 30 December 2021.
- 1.2 The Additional Restrictions Grant-Omicron (ARG-Omicron) scheme has been developed in response to an announcement made by the government on 21 December 2021 to provide additional support to businesses, not supported by the Omicron Hospitality & Leisure scheme, in recognition of the impact of the Omicron variant on trading conditions.
- 1.3 Councils have discretion as to how to prioritise ARG funds and the government have stated that priority should be to support businesses in their District that have been severely impacted by reduced business activity due to the spread of the Omicron variant.
- 1.4 Government has confirmed that this ARG – Omicron scheme should only be allocated to business support grants and should not fund wider business support measures. Therefore, all funding provided under this scheme will provide direct support to businesses.
- 1.5 The ARG-Omicron funding allocation received from Government is very limited. Coupled with the wide range of ratepayer businesses that were eligible for support last year through the Local Restrictions Support Grants (LRSB) or Restart Grants but are no longer eligible for support through the Omicron Hospitality & Leisure scheme, it is necessary for the Council to have a very focused local policy for allocating ARG funds.
- 1.6 To be eligible for ARG-Omicron, the business must be:
  - a. a New Forest District Council business rate payer; AND,
  - b. trading on 30 December 2021 and be severely impacted by reduced business activity due to the spread of the Omicron variant and be able to demonstrate this if required; AND
  - c. not eligible for the Omicron Hospitality & Leisure Grant scheme; AND,
  - d. is not in administration, are insolvent or where a striking-off notice has been made on 30 December 2021; AND
  - e. is predominantly reliant on delivering in-person services to the public, where the main service and activity takes place in a fixed rate-paying premises in one or more of the following sectors:
    - 'Tour Operator & Travel Agent'
    - 'Personal Care' (hair and beauty)
    - 'Indoor gym, sport and fitness'

Annex A lists the types of businesses that fall into the scope of each sector.
- 1.7 Grants under this scheme will be available from [TBC]. The scheme will close for applications on the [TBC]. Applications made after the scheme closure date will be ineligible.

## 2. Funding

- 2.1 Local Authorities will receive funding under section 31 of the Local Government Act (2003) to meet the cost of payments to businesses.

## 3. Eligibility criteria

- 3.1 In all cases, the Council will only consider a grant application where **all** the criteria are met.
- 3.2 The ARG-Omicron grant is for businesses on the Valuation Office Agency rating list in the sectors as defined in paragraphs 4.12 to 4.14.
- 3.3 Businesses will only be eligible where they are trading from those fixed rate paying premises on the effective date (30 December 2021).
- 3.4 Businesses must have been severely impacted by reduced business activity due to the spread of the Omicron variant. The Council reserves the right to request further information to support the declared business impact.

## 4. Grant Awards

- 4.1 Eligible businesses will be entitled to receive a grant for each eligible Hereditament(s) (each eligible business rates registered premises).
- 4.2 The grant is a one-off payment.
- 4.3 To fully distribute the grant funding, the grant awards will be calculated and distributed once the scheme has closed to applications.
- 4.4 The grant award will be dependent on the number of eligible applications to the very limited ARG-Omicron scheme. The banding of the grant will depend on the rateable value of each eligible Hereditament(s) as follows:

Rateable Value	Grant Award (£)
£15,000 or less	To be confirmed once the scheme has closed to applications
£15,001 - £50,999	To be confirmed once the scheme has closed to applications
£51,000 or more	To be confirmed once the scheme has closed to applications

- 4.5 Any residual funding will be allocated at the Councils discretion to provide direct support to businesses.

- 4.6 Where a business operates services that could be considered to be defined as eligible for ARG-Omicron, and other services which fall into another, non eligible, business category, the main service can be determined by assessing which category constitutes 50% or more of their overall income. The Council will exercise its judgement to determine the main service principle and whether or not a business is eligible and receives funding.
- 4.7 Where a business operates services that could be considered to be eligible for the Omicron Hospitality & Leisure scheme and services that could be considered eligible for ARG-Omicron, the main service, and hence eligibility for the appropriate scheme, can be determined by assessing which category constitutes 50% or more of their overall income. The Council will exercise its judgement to determine the main service principle and whether or not a business is eligible for the Omicron Hospitality & Leisure scheme or ARG-Omicron. Each Hereditament is only eligible for one grant from either the Omicron Hospitality & Leisure scheme or ARG-Omicron, not both.
- 4.8 Where an eligible business has not previously claimed a business support grant, or if the bank details have changed since the last application, the Council will need a copy of a recent bank statement.

### **Excluded businesses**

- 4.9 The following businesses will not be eligible for an award:
- a. Businesses that have not been severely impacted due to the spread of the Omicron variant
  - b. Businesses in sectors other than as defined as eligible in paragraph 4.12 to 4.14 below,
  - c. Businesses that were not on the rating list on 30 December 2021
  - d. Businesses that have already received grant payments that equal or exceed the maximum permitted subsidy allowance
  - e. Businesses that were in administration, are insolvent or where a striking-off notice has been made on 30 December 2021.

### **The Hereditament**

- 4.10 In all cases the following must have existed at the effective date:
- a. The hereditament must be shown in the local rating list
  - b. Any change to the rating list after 30 December 2021, including changes which have been backdated to this date, will be ignored for the purposes of eligibility
  - c. The Council is not required to adjust, pay or recover grants, where the local rating list is subsequently amended retrospectively to the effective date
  - d. In cases where it was factually clear to the Council that, at the effective date, the local rating list was inaccurate on that date, the Council may withhold the grant and/or award the grant based on their view who would have been entitled to the grant had the list been accurate. This is at the discretion of the council and is intended to prevent manifest errors.

- e. Where a hereditament is exempt from rating as at the effective date, no grant shall be awarded.

## **The Ratepayer**

4.11 In **all** cases the following shall apply:

- 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 on 30 December 2021. Grants will not be awarded where the hereditament is unoccupied.
- Where the Council has reason to believe that the information it holds about the ratepayer on 30 December 2021 is inaccurate, the council has discretion to withhold or recover the grant and take reasonable steps to identify the correct ratepayer and award the grant based on our view of who would have been entitled to the grant had the list been accurate.
- Businesses that have a voluntary agreement but are not insolvent, in liquidation or in administration will be eligible if they are still trading and open
- Businesses must have been trading on 30 December 2021 and engaged in business activity to be eligible to receive funding under this scheme. The government have provided guidance on what is considered trading and factors include:
  - a. The business continues to trade, including on-line, via delivery services
  - b. The business is not in liquidation, dissolved, struck-off or subject to a striking-off notice or under notice.
  - c. The business is engaged in activity, managing accounts, preparing, and planning for reopening, planning, and implementing COVID safe measures
- Where, it is subsequently determined that the records held are incorrect, the Council reserves the right to recover any grant incorrectly paid; and
- Where any ratepayer 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.

4.12 For the purposes of this policy, a 'tour operator & travel agent' is defined as a business, severely impacted by reduced business activity due to the spread of the Omicron variant but not eligible for the Omicron Leisure & Hospitality grant scheme, that combine and arrange accommodation, meals, sightseeing and transportation components for customers holiday and leisure activities. The main in-person service must take place in a fixed rate-paying premises.

For the purposes of this grant policy, this definition excludes mini bus and/or private hire/ taxi businesses where less than 50% of their business activity is to combine and arrange accommodation, meals, sightseeing and transportation components for customers holiday and leisure activities.

4.13 For the purposes of this scheme, a 'personal care' business is defined as a business which provides a service, treatment, or activity for the purpose of personal beauty, hair, grooming, body care and aesthetics and offering at least one of the services

listed below, that has been severely impacted by reduced business activity due to the spread of the Omicron variant but not eligible for the Omicron Leisure & Hospitality grant scheme and is reliant on delivering in-person services to the public, where the main service and activity takes place in a fixed rate-paying premises.

'Personal care' includes: spas, sauna and steam rooms, hairdressing salons, tanning salons, nail salons, massage centres, massage treatments, tattoo and piercing studios, holistic therapy (reflexology, massage, acupuncture), barbers, beauty salons, and those offering non-surgical beauty treatments. These examples are not exhaustive, but indicate the types of businesses that can be supported under this scheme

For the purposes of this grant scheme, this definition will exclude businesses providing support and supervision of daily personal living tasks and private hygiene in a residential or care setting and businesses providing grooming services for animals.

- 4.14 For the purposes of this scheme, a 'gym, sport and fitness' business is defined as a commercial or non-profit establishment where physical exercise or training is conducted on an individual basis or group basis, using physical equipment or open floor space with or without instruction, or where individual and group sporting, athletic and physical activities are participated in competitively or recreationally and are severely impacted by reduced business activity due to the spread of the Omicron variant but not eligible for the Omicron Leisure & Hospitality grant scheme, where the main service and activity takes place **indoors** in a fixed rate-paying premises.

'Gyms and fitness' include indoor dance/ fitness schools and studios, gymnasias/fitness suites, indoor sports centres, courts and indoor swimming pools. These examples are not exhaustive, but indicate the types of businesses that can be supported under this scheme

For the purposes of this grant scheme, this definition excludes all outdoor sport and fitness activities.

## 5 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 ARG-Omicron payment will provide additional support to businesses who are severely impacted by the Omicron variant.
- 5.2 In all cases businesses will be required to confirm that they are eligible to receive the grants, are severely impacted by reduced business activity due to the spread of the Omicron variant and must complete an online application form. Businesses are under an obligation to notify the Council should they no longer meet the eligibility criteria for this or any additional grants.
- 5.3 The Council reserves the right to request any supplementary information from businesses before making a decision.
- 5.4 The Council reserves the right to request bank statements and/or other supporting information when advised of a change to the ratepayer's bank details.
- 5.5 An application for ARG-Omicron is deemed to have been made when a duly completed application form is received via the Council's online procedure and any



additional information has been provided. Business will receive notification of receipt of the online form and of the decision.

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

## **6 Subsidy Allowance**

- 6.1 The EU State Aid rules no longer apply and from 4 March 2021 new subsidy allowances were established for the COVID-19 business grant schemes. Payments received by the applicant from any of the business grant schemes administered by local authorities or anything similar from the government, for all businesses and properties they are responsible for, counts as Subsidy Allowance.

- 6.2 There are three subsidy allowances:

### **Small Amounts of Financial Assistance Allowance**

- 6.3 This allowance is £335,000 over three fiscal year periods at 2 March 2021

### **The COVID-19 Business Grant Allowance**

- 6.4 Where the Small Amounts of Financial Assistance Allowance has been reached, grants may be paid in compliance with the Principles set out in Article 366 of the Trade and Cooperation Agreement. For the purpose of this scheme, this allowance is £1,900,000 per business and includes grants previously received under the COVID-19 business grant schemes. This may be combined with the Small Amounts of Financial Assistance Allowance to equal £2,235,000.

### **The COVID-19 Business Grant Special Allowance**

- 6.5 Where an 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 under these scheme rules of up to £10,000,000 for business, provided the following conditions are met:

- The Special Allowance covers only the applicants uncovered fixed costs incurred during the period 1 March 2020 and 31 March 2022. Uncovered fixed costs means fixed costs not otherwise covered by profit, insurance or other subsidies;
- Applicants can demonstrate a decline in turnover from audited or official accounts of 30% compared to 2019
- The Grant payment must not exceed 70% of the applicant's uncovered fixed costs (except where you have less than 50 employees and less than £9m annual turnover), where the grant payment must not exceed 90% of the uncovered fixed costs;
- Grants under this scheme shall not be cumulated with other subsidies for the same costs
- Evidence is provided to demonstrate eligibility

- 6.6 There is more information about Subsidy Allowance available on the government

website at <https://www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities>

## **7 Scheme Delegation**

- 7.1 The Council has implemented this scheme in line with Government requirements and guidance and has been approved by the Portfolio Holder for Finance, Investment and Corporate Services and the Portfolio Holder for Business, High Streets & Tourism.
- 7.2 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 the Portfolio Holder for Business, High Streets & Tourism to ensure it meets the criteria set by the Council and, in line with updated Government guidance.

## **8 Notification of Decisions**

- 8.1 Applications will be considered on behalf of the Council by the Economic Development Service.
- 8.2 All decisions made by the Council shall be notified to the applicant either in writing or by email.
- 8.3 A decision shall be made within four weeks after the application window has closed and once all eligible applications have been processed.

## **9 Reviews of Decisions**

- 9.1 The Council will operate an internal review process and will accept an applicant's request for an appeal of its decision.
- 9.2 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.
- 9.3 The application will be reconsidered by 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.

## **10 Complaints**

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

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

- 11.1 All payments under this 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 Managing the risk of fraud**

- 12.1 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 undertake pre-payment checks and 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. This includes undertaking pre-payment checks as per government guidance on company and bank account checks.
- 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 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 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.

## Annex A

### **Eligible business types**

This table sets out types of businesses that are eligible for this ARG-Omicron scheme. This list is not exhaustive, but indicative of the types of businesses that can be supported under this scheme.

<b>Support type</b>	<b>Types of businesses:</b>
<b>'Travel Agents &amp; Tour Operators'</b>	<ul style="list-style-type: none"><li>• Travel agents and/or tour operators that combine and arrange accommodation, meals, sightseeing and transportation components for customers holiday and leisure activities</li></ul>
<b>'Personal care'</b>	<ul style="list-style-type: none"><li>• Spas, sauna and steam rooms</li><li>• Hairdressing salons</li><li>• Tanning salons</li><li>• Nail salons</li><li>• Massage centres, massage treatments</li><li>• Tattoo and piercing studios</li><li>• Holistic therapy (reflexology, massage, acupuncture)</li><li>• Barbers</li><li>• Beauty salons</li><li>• Beauticians, aesthetics</li><li>• Other non-surgical treatments</li></ul>
<b>'Gyms, sport &amp; fitness'</b>	<ul style="list-style-type: none"><li>• Indoor dance/ fitness schools and studios</li><li>• Indoor gymnasia/fitness suites</li><li>• Indoor sports centres and courts</li><li>• Indoor swimming pools</li></ul>