



Tonbridge & Malling Borough Council Additional Restrictions Grants (ARG) Scheme April 2021 Onwards (Restart)

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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 or higher local restrictions;

‘Additional Restrictions Grant (ARG) (Restart)’ means the discretionary scheme available to businesses from April 2021 in line with Government announcements in March 2021;

‘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;

‘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;

‘Restart Grants’; means the mandatory business grants scheme available to businesses with effect from 1st April 2021;

‘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) from 1st April 2021 onwards. 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 Secretary of State for Business, Energy & Industrial Strategy whereby an additional restriction grant payment may be made by the Council to a business which has to close or are severely affected due to localised or widespread national restrictions being put in place to manage coronavirus and save lives.
- 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 The scheme applies during the 'restart' period.
- 1.5 National restrictions are nationally binding widespread restrictions imposed by Parliament under legislation. The current national restrictions are made under the Health Protection (Coronavirus, Restrictions) (England) (No. 4) Regulations 2020.
- 1.6 Grants under the Additional Restrictions Grants scheme (ARG) will be available for the 2020/21 and 2021/22 financial years only.
- 1.7 No grant shall be paid under this particular scheme for any period prior to 01st April 2021.

2.0 Funding

- 2.1 Under the Additional Restrictions Grant Scheme (ARG) provisions since October 2020, the Council has been granted £4.7m in total. Approximately £3m has already been allocated to local businesses and the remaining £1.7m will be spent by 31 March 2022.
- 2.2 This scheme forms part of a series of schemes designed to assist businesses through both local and national restriction periods.

3.0 Eligibility criteria and awards

- 3.1 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.
- 3.2 If Local Authorities use the Additional Restriction Grant for direct business support grants, Government has stated that the same conditions of grant **must** apply as for the Local Restrictions Support Grant (Closed) scheme. However, the Council will have the discretion to alter the amount of funding offered to individual businesses and the frequency of payment.
- 3.3 Government has stated that the Council may consider making grant payments to those businesses which, whilst not eligible for the mandatory grants, can nonetheless demonstrate that they have been severely impacted by the restrictions put in place to control the spread of Covid-19.

Eligibility Criteria

- 3.4 For the purposes of this particular scheme the Council has decided that funding will be available to the following:
- (a) Businesses that are in priority sectors but are not covered under the Mandatory Restart Grants OR businesses that were significantly affected by the restrictions put in place to control the spread of covid-19;
 - (b) Business with a registered address in the T&MBC area will be eligible for this scheme. Where a business is registered in another council area (although has a presence in the Borough) the Council will take a discretionary view on a case-by-case basis. In the case of taxi drivers, market traders and mobile businesses, evidence (such as a licence or pitch fees) will be required to show a strong connection to the Tonbridge and Malling area if their home premises are located outside of the Borough; and
 - (c) Business must be trading (engaged in business activity) and meet other eligibility criteria (there is no starting date from which businesses must have been trading in order to qualify for grant funding).
- 3.5 Discretionary Grants will be paid subject to State Aid / Subsidy regulations, meaning the business needs to check that they comply with State Aid rules and inform the Council accordingly prior to payment being made. If these rules are breached the responsibility lies with the applicant and, in line with the legislations, the Council can take action to recover the funding.
- 3.6 Using the ARG (Discretionary) Restart Grants as a top-up for businesses that are eligible for the Mandatory Restart Grants will not be permitted.
- 3.7 Where businesses feel they fit this criterion but are unsure of their eligibility, contact with the Council via economic.regeneration@tmbsc.gov.uk should be made to confirm whether an application will be accepted.

- 3.8 This scheme is only aimed at supporting businesses which are not able to access the Mandatory Restart Grants – either because they are not subject to non-domestic rating or are not in a priority sector as identified by the Mandatory Restart Grant policy, and yet were nonetheless significantly impacted by the restrictions put in place to control the spread of Covid-19’.
- 3.9 If a business is in one of the identified priority sectors, and has a business rates account, then they will need to contact the Council’s Business Rates Team via inspectors@tmbc.gov.uk

Award Levels

The ARG Scheme:

3.10 Priority Sectors:

- Hospitality and Leisure Businesses (in a commercial premises but without a Rateable Value);
- Non-Essential Retail businesses (in a commercial premises but without an Rateable Value);
- Suppliers to the Hospitality, Retail or Leisure Sectors; and
- Business in the Green Economy (in support of our Climate Change Strategy).

3.11 This list is not exhaustive and businesses outside the above list are also invited to apply

3.12 Grants awarded through the ARG (Discretionary) Restart Grant scheme by Tonbridge & Malling Borough Council will be capped at £18,000, although for the vast majority of businesses, the grant award will be considerably lower. The following is an **indicative** breakdown of likely awards:

Hospitality & Leisure Businesses (in commercial premises but without RV):

- £18,000 (30+ employees)
- £12,000 (15-30 employees)
- £8,000 (5-14 employees)
- £4,000 (0-4 employees)

Non-Essential Retail (in commercial premises but without RV), Businesses supplying the Hospitality, Retail or Leisure Sectors:

- £6,000 (15+ employees or Rateable Value of £51,000 and over)
- £4,000 (5-14 employees or Rateable Value of £15,001 to £50,999)
- £2,667 (0-4 employees or RV of £15,000 and under)

Home-based, taxi drivers (with TMBC licence), market traders and mobile businesses:

- £1,000 (up to £1,500 in very exceptional circumstances)

Other Businesses in Non-Priority Sectors:

- £5,000 (15+ employees or Rateable Value of £51,000 and over)
- £3,000 (5-14 employees or Rateable Value of £15,001 to £50,999)

- £1,500 (0-4 employees or RV of £15,000 and under).

Excluded businesses – both local and national restrictions

- 3.13 The following businesses will not be eligible for an award:
- (a) Businesses that are eligible for the Mandatory Restart Grants;
 - (b) Businesses which are unable to demonstrate that they have been adversely impacted by the restrictions put in place to manage the spread of Covid-19;
 - (c) Businesses that are unable to demonstrate any fixed business costs;
 - (d) Businesses which have already received grant payments that equal the maximum levels of state subsidy permitted;
 - (e) Businesses that are in administration, are insolvent or subject to a striking-off notice; and
 - (f) Businesses that are not located within or able to demonstrate trade within the Tonbridge & Malling Borough Council Area.

The Effective Date

- 3.14 The effective date for this particular scheme is 01 April 2021.

Who can receive the grant?

- 3.15 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.
- 3.16 Where the Council has reason to believe that the information it holds at the effective date is inaccurate, it may withhold or recover the grant and take reasonable steps to identify the correct recipient.
- 3.17 Where, it is subsequently determined that the records held are incorrect, the Council reserves the right to recover any grant incorrectly paid.
- 3.18 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.

4.0 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 Council's ARG (Discretionary) Restart Grant scheme together with the Mandatory Restart Grant 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:
www.tmbc.gov.uk/localrestrictions

- 4.3 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.
- 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.

5.0 Subsidies and EU State Aid

- 5.1 The EU State aid rules no longer apply to subsidies granted in the UK following the end of the transition period.
- 5.2 The United Kingdom remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU.
- 5.3 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.

6.0 Scheme of Delegation

- 6.1 The Council has approved this scheme.
- 6.2 Officers of the Council will administer the scheme and the Director of Finance & Transformation is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with Government guidance.

7.0 Notification of Decisions

- 7.1 Applications will be considered on behalf of the Council by staff from the Economic Development Team, in consultation with the Revenues and Benefits Team and the Director of Finance & Transformation.
- 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.

8.0 Reviews of Decisions

- 8.1 The Council will operate an internal review process and will accept an applicant's request for a review of its decision.

- 8.2 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.
- 8.3 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.

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)

- 10.1 The Council has been informed by Government that all payments under the 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.

11.0 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.