

Additional Restriction Grant (ARG) Restart Grant - Guidance for Applicants

Northumberland County Council will use Additional Restriction Grant (ARG) to ensure more businesses who would otherwise not be eligible for the Government's Restart Grant can access financial assistance in 2021/22, intended to support businesses in the Council's area as coronavirus restrictions across the country are eased.

The ARG Restart scheme will run from 28 April 2021 to midnight on Friday 28 May 2021.

A finite level of funding is available for the ARG Restart therefore the scheme will have a review point and may close earlier than the advertised date if demand is high.

Scope of the ARG Restart Grant

The ARG Restart Grant is a one-off grant funding scheme. There are two strands to the grant as follows:

- <u>Strand One</u> to support non-essential retail, B&Bs and personal care businesses which do not have a Rateable Value (RV,) but have non-residential* fixed property costs of over £200 per month.
- Businesses directly supplying businesses in the hospitality, hotel, bed and breakfast and leisure sectors which have been severely impacted during local and national restrictions
- <u>Strand Two</u> to support hospitality, accommodation, leisure and gym businesses which do not have a Rateable Value (RV,) but have non-residential fixed property costs of over £200 per month.

*with the exception of registered B&Bs

To ensure the grant can be received by as many businesses as possible personal care businesses and registered B&Bs will be included in Strand One.

Annex C of Government's Restart Grant guidance gives a detailed list of business types that are included in the sectors above.

Level of grants available

The level of funding will be a one-off payment and will be calculated based on the rateable value (RV) of the qualifying business property or, if it has no RV, the RV Proxy** as follows:

<u>Strand One</u> – to support non-essential retail, personal care, B&Bs and direct suppliers to the hospitality, hotel, bed and breakfast and leisure sectors:

- 1. For properties with an RV or RV proxy of exactly £15,000 or under, payments of £2,667.00
- 2. For properties with an RV or RV proxy over £15,000 and below £51,000, payments of £4,000.00
- 3. For properties with an RV or RV proxy of exactly £51,000 and over, grants of £6,000.00

<u>Strand Two</u> – to support hospitality, accommodation, leisure and gym businesses:

- 1. For properties with an RV or RV proxy of exactly £15,000 or under, payments of £8,000.00
- 2. For properties with an RV or RV proxy over £15,000 and below £51,000, payments of £12,000.00
- 3. For properties with an RV or RV Proxy of exactly £51,000 and over, grants of £18,000.00

**RV Proxy means a commercial premises' lease, licence or other formal rental agreement, or commercial mortgage for those who own their own premises.

To ensure the grant can be received by as many businesses as possible, registered B&Bs and personal care businesses will receive the grant level for RV Proxy* of exactly £15,000 or below.

The above grant levels are indicative and could change.

Subsidy Allowance threshold rules apply to the award of ARG Restart Grants, as set out in the Government guidance:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachmen t data/file/978400/additional-restrictions-grant-la-guidance.pdf

Eligibility criteria

- Be located in and operating within Northumberland;
- Not be classed as "home-based" (with the exception of registered B&Bs);
- Demonstrate a minimum of £200 per month (£2,400 per annum) non-residential* fixed property costs;
- Demonstrate they were severely impacted by local and / or national restrictions;
- Demonstrate they were trading on 1 April 2021. For the purposes of this grant scheme, a business is considered to be trading if it is engaged in business activity. This should be interpreted as carrying on a trade or profession, or buying and selling goods or services in order to generate turnover, for example managing accounts, preparing for reopening, planning and implementing COVIDsafe measures, have staff on furlough or trading online.
- Are not eligible for a grant under the Local Restriction Support Grants or Restart Grant
- For businesses in the hospitality, hotel, bed and breakfast and leisure sectors they must have been:
 - Providing services in person to customers from the premises;
 - o Occupying non-residential* business premises without a Rateable Value.
 - Registered B&Bs refers to businesses providing Bed & Breakfast accommodation (accommodation in rooms which are serviced daily and offer the option of breakfast cooked by the proprietor) that are registered with Northumberland County Council food hygiene rating scheme as a food business and are registered with organisations such as Northumberland Tourism, Visit Northumberland or Visit England.
- Businesses that were in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.
- Businesses that, were they to receive grant payments under this scheme, breach subsidy rules are not eligible for funding under this scheme.

How to apply for the ARG Restart Grant

An online application process will be made available on the Council's website at www.northumberland.gov.uk. Applicants will have to supply information and complete a declaration. Applications must be made by 28 May 2021.

Queries regarding this scheme can be addressed to the County Council at the following dedicated email address: businesshub@northumberland.gov.uk

^{*}with the exception of registered B&Bs

Evidence Required to Support the Application

Businesses are required to submit the following evidence to support their application:

- The address of the business property from which they operate
- Bank statement to prove the business was operating on relevant dates
- For Business Rated Businesses the latest NNDR statement from Northumberland County Council (even if "Nil" payable) showing the business rates reference number
- Evidence demonstrating a minimum of £200 per month (£2,400 per annum) of commercial, on-going fixed property costs (e.g current legible copy of signed premises' lease, licence or other formal rental agreement, or commercial mortgage clearly showing the rental cost)
- Businesses without an RV:
 - legible copy of signed premises' lease, licence or other formal rental agreement, or commercial mortgage (RV Proxy) clearly showing the rental cost.
 - Legible copy of one of the following:
 - premises insurance
 - fire certificate
 - registration with regulatory services (e<u>.g.</u> Northumberland County Council for all Food businesses)
- Businesses with an RV (who apply to Suppliers to Hospitality, Accommodation and Leisure only)
 - The business rates reference number
 - Evidence of significant levels of supply directly with Hospitality,
 Accommodation or Leisure Businesses e.g. a current or recent contract or invoices.
- Narrative of how the business has been impacted by national Covid19 restrictions

This will be part of the online application process.

Northumberland County Council may require additional evidence to the above.

Businesses can submit an application for each eligible business property that they operate from within Northumberland. Each property requires a separate application. Some businesses may, therefore, receive more than one grant payment. A successful application for one property does not guarantee the same business a successful application for any additional properties.

Appeals

Applicants whose applications are rejected may request a review. The review will be carried out by an officer who was not involved in the original decision. The decision of the review is final. Details about how to request a review will be provided to every applicant whose application is rejected. Requests for Review without detailed reasoning will not be accepted.

Managing the risk of fraud

Neither the Government nor Northumberland County Council will accept deliberate manipulation and fraud - and any business caught falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.

It is important that applicants ensure that they provide accurate bank details for grant payments and that these relate to the business concerned

Will these grant schemes be subject to tax?

Grant income received by a business is taxable. The ARG Restart Grant will need to be included as income in the tax return of the business. Only businesses that make an overall profit once grant income is included will be subject to tax.