

# FAREHAM

## BOROUGH COUNCIL

<b>Name of Grant</b>	<b>Additional Restrictions Grant (ARG) Scheme</b>
<b>Sub-section</b>	<b>Continued Support for Market Traders</b>
<b>Abbreviation</b>	<b>ARG-CMS</b>
<b>Start Date</b>	<b>01/04/2021</b>
<b>Final date for information/ evidence submission</b>	<b>25/06/2021</b>
<b>Final Payment Date</b>	<b>29/06/2021</b>

### INTRODUCTION

In response to the Coronavirus 4-week National Lockdown, ending on 02/12/2020, which was announced on 31/10/2020, the Government also announced there would be funding provided to Local Authorities to support businesses in their areas. The Additional Restrictions Grants Scheme (ARG) was announced alongside the Local Restrictions Support Grant.

ARG funds have been made available to support local economies and businesses that have been adversely impacted by imposed national restrictions. Local authorities, however, have the discretion to determine how much funding to provide businesses and which businesses to target.

Fareham Borough Council initially received £2,324,660 in funding for the ARG scheme. It had been stated that no additional funds would be awarded within the 2020/21 and 2021/22 financial years. However, an additional £1,032,504 was subsequently received as the ARG-Top Up in January 2021, increasing the fund total to £3,357,164. On 3 March 2021 the Government announced that a further £425 million would be made available for Local Authorities, through a conditional top-up to the Additional Restrictions from 1 April 2021. One of these conditions is that the original fund allocations are spent by 30 June 2021.

Section 1 of the Localism Act 2011 provides all local authorities with the vires to make these payments.

At the start of the scheme Fareham Borough Council adopted a set of principles which would underpin how the ARG funds would be used with starting allocations for the different parts of the scheme. These allocations have now been refreshed to reflect the trends in payments which have been made to date and the need to now spend the funds by 30 June 2021.

The table below shows the initial allocation of the funds and the latest proposals. It is still expected that there may be some movement of funding between the parts depending on the level of take up over the coming months.

Part of Scheme	Period Covered by Payment	Funding Allocated	
		Originally	Revised
First Tranche of Grants - General	5 Nov 20 to 1 Dec 20 plus Group 3 Top Up	£909,864	£601,000
First Tranche of Grants - Markets support	14 Dec 20 to 31 Mar 21	£20,000	£5,000
Second Tranche of Grants - General	26 Dec 20 to 19 Mar 21 plus Group 2 Top Up	£929,864	£1,035,000
Wider Support Schemes	April 2021 - March 2022	£464,932	
		<b>£2,324,660</b>	
ARG January Top-Up Unallocated		£1,032,504	
		<b>£3,357,164</b>	
Second Tranche of Grants - No November Loss	5 Nov 20 to 1 Dec 20 plus Group 3 Top Up 26 Dec 20 to 19 Mar 21 plus Group 2 Top Up		£200,000
Second Tranche of Grants - Taxi support	5 Nov 2020 to 1 Dec 2020 & 26 Dec 2020 to 11 Apr 2021		£475,000
<a href="#">Continued Support for Market Traders</a>			<b>£66,000</b>
Required Contribution to LADGF scheme			£26,000
Third Tranche of Grants	20 Mar 21 to 16 May 21 plus Group 1 Top Up		£949,164
			<b>£3,357,164</b>

This document covers the Continued Support for Market Traders Scheme.

## CONTINUED SUPPORT FOR MARKET TRADERS SCHEME

The Continued Support for Market Traders Scheme (CSM) is an extension to the ARG-T1M scheme which has now ended. It consists of 3 strands of assistance:

- A) Extended stall charge reimbursement scheme
- B) Market trader loss of income grants
- C) Market Gazebo scheme

The aims of this scheme are to support market traders at the Fareham and Portchester markets, and to provide opportunity for casual or new traders to trade. The ultimate aim is to keep the markets vibrant and attractive to customers, increasing footfall in the two centres further supporting the retail and food outlets in the area and the local economy.

### Cost of the Scheme

Based on the known number of regular market traders and number of traders operating at the start the ARG-T1M scheme the cost of the scheme has been estimated at £66,000 as summarised below, to be funded from the ARG funds.

		Estimated Number	Estimated Value
<b>ARG-CSMA</b>	Extended Stall Charge reimbursements	33 @ 11 weeks	£17,750
<b>ARG-CSMB</b>	Markets Loss of Income Grants	21	£32,000
<b>ARG-CSMC</b>	Gazebo Scheme	25	£16,250
			<b>£66,000</b>

## PART A – EXTENDED STALL REIMBURSEMENTS (ARG-CSMA)

The extended stall reimbursement scheme will reimburse the amount paid by a market trader for their stall between the end of the T1M scheme and the end of the Government Roadmap step 3. This is expected to be for the period from Thursday 1 April 2021 up to and Sunday 20<sup>th</sup> June 2021.

The scheme is available for market traders operating as part of the Fareham and Portchester markets.

### How much Reimbursement will be paid under the ARG-CSMA Scheme?

The reimbursement paid will match, in full, the pitch fees paid each week. The table below shows the current charges which will be in place for the entirety of the scheme. The charges are in £/foot referring to the size of the market stall

The number of reimbursements at each market is capped. ‘Signed on’ traders will be reimbursed first, then any casual traders up to a maximum total of 50 pitch fees reimbursed each market.

The pitch fees for additional markets will also be eligible.

<b>Fareham Market</b>		
Inclusive of VAT		
Signed on pitch fee	Per foot, minimum of 15ft, maximum of 50ft	2.00
Casual pitch fee	Per foot, minimum of 15ft, maximum of 50ft	2.50
Additional Markets	Per foot, minimum of 15ft, maximum of 50ft	1.00
<b>Portchester Market</b>		
Not currently subject to VAT		
Signed on pitch fee	Per foot, minimum of 15ft, maximum of 50ft	1.00
Casual pitch fee	Per foot, minimum of 15ft, maximum of 50ft	1.50

### Who is Eligible for the ARG-CSMA Scheme?

Only Active Market Traders who trade as part of the Fareham or Portchester markets are eligible for this scheme. All other businesses should refer to the other ARG schemes.

The definition of market traders for Part A of the scheme includes regular “signed on” market traders and casual market traders who must use a stall at one of the markets at least once during the defined period.

### Applying for a Reimbursement

Active Market Traders are known to The Council. We will make contact directly with the eligible parties and invite them to apply. The application process will be administered by the Market Management Company on a weekly basis.

## Assessment and Prioritisation of Reimbursements

All relevant applications will be assessed, and the pitch fee reimbursement made if the criteria are met. Reimbursements will be made weekly in arrears. The Council reserves the right to close the ARG-CSMA scheme if it is likely to exceed the funding earmarked for it. An application is considered 'complete' when all required information has been provided.

## Payment of the Reimbursement

All payments will be made via BACS direct to the applicant's bank account.

## PART B – LOSS OF INCOME GRANT (ARG-CSMB)

The Market Loss of Income Grant Scheme will commence in April 2021.

The aim of this scheme is to support existing regular market traders at the Fareham Town Centre Market and the Portchester Market who have been affected by the national and local restrictions.

This is a flat payment scheme for 2020/21 which covers the periods when the Borough of Fareham was in National Lockdown, Tier 4, or Step 1 of the Roadmap: namely from 05/11/2020 to 01/12/2020 and from 26/12/2020 to 11/04/2021. A period of 134 days.

### How much grant will be paid under the ARG-CSMB Scheme?

The grant is based on the value of grant that businesses would receive under the Local Restrictions Grant Scheme for a period of 134 days. Market traders will receive 1/5 of this grant if they trade at either the Fareham Town Centre Market or the Portchester Market, for one day a week, or 2/5 of this grant if they trade at both markets.

Where Market Traders Operate	Value of grant
Fareham Town Centre Market OR Portchester Market	<b>£1,277</b>
Both Fareham Town Centre Market AND Portchester Market	<b>£2,554</b>

### Who is Eligible for the ARG-CSMB Scheme?

Only Active Market Traders who trade as part of the Fareham or Portchester markets are eligible for this scheme. All other businesses should refer to the other ARG schemes.

The definition of market traders for Part B of the scheme includes regular "signed on" market traders. It does NOT include casual market traders.

## **Applying for a Grant**

Active Market Traders are known to The Council. We will make contact directly with the eligible parties and ask them to provide the bank details and evidence. The process will be administered by the Business Grants Team. Confirmation of their grant payment will be accompanied with a statement of their obligations under the scheme.

## **Payment of the Reimbursement**

All payments will be made via BACS direct to the applicant's bank account.

## **OTHER CRITERIA FOR PART A and PART B**

To be considered for the funding under Part A or Part B the following criteria must be met:

### **a) Be an Active Market Trader at the Fareham or Portchester markets**

The business must not be dormant.

The business must not be in liquidation, administration, insolvent or had a striking-off notice registered.

Active Market Trader means a trader who pays for a Street Trading Consent for each trading day at the market.

### **b) Bank details must be provided**

The reimbursement can only be paid directly into a bank account, regardless of the method of payment for the pitch. The business must provide bank details for payment, including proof that the account is related to the business.

### **c) Must not exceed Subsidy Allowance limits (see below)**

## **Tax**

Income received under the ARG Scheme is taxable therefore funding paid under any Local Authority discretionary grant should be declared for tax purposes.

## **Subsidy Allowance Limits**

Receipt of this grant falls within the rules of the relevant State Aid/Subsidy Control/ Subsidy Allowance rules which were in place at the time of the period of restrictions.

More details can be found at [https://www.fareham.gov.uk/business/state\\_aid.aspx](https://www.fareham.gov.uk/business/state_aid.aspx), and using the link to the government guidance below:

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

### **Fraud**

The council will not accept deliberate manipulation and fraud - and any business caught falsifying their records to gain grant money, or colluding to commit fraud, may face prosecution and any funding issued will be subject to claw back, as may any payments paid in error.

All applicants' information will be shared with the Government Grants Management team to enable any fraud to be identified. The council will use tools available to confirm accuracy of applications and submitted data.

### **Transparency**

The Council reserves the right to publicise the names of businesses helped through this scheme.

### **Appeals**

There are no further appeals rights for this scheme, the Council's decision is final, however, we will review our decision if it is clear that an error was made in processing an application.

## **PART C – GAZEBO SCHEME (ARG-CSMC)**

The Gazebo scheme will provide funding to the Council's market operator to purchase Gazebos for the market stalls in Fareham Borough Council colours to enhance the feel and appeal of the markets.

Soft market testing has been carried out to get an idea of the price of the Gazebos. The funding allocation above is an estimate to provide Gazebos for the regular market traders in the Fareham Town Centre Market plus some extras for use by casual market traders. The purchase of Gazebos for the Portchester Market will also be considered if funding allows.

### **Scheme Mechanism**

1. The Environmental Health Partnership will carry out a tender exercise in accordance with the Fareham Borough Council Procurement and Contract Procedure Rules, to select a preferred supplier of the Gazebos.
2. The Market Management Company (Bray Associates) will be provided with ARG grant funding of the value to provide the gazebos needed for the regular market traders plus 6 additional gazebos for casual market traders.
3. The funding will be provided as part of an offer letter which stipulates the timescale in which the funding must be used to buy and distribute the gazebos, which if not met will render the grant repayable.
4. The Market Management company will distribute the gazebo to the regular market traders. The regular market traders will then own their gazebo, but if it is damaged or lost, they will be expected to repair or replace it with something of equal quality and appearance to the gazebo they receive under this scheme.
5. The additional gazebos will be stored at the compound in West Street and issued to a casual trader in exchange for a £20 deposit; this will be returned on receipt back of the gazebo in a similar condition to that when it was issued.
6. With the exception of those traders who operate from vehicles, all traders will then be expected to use a branded gazebo if they wish to trade at the Fareham Town Centre Market (and potentially the Portchester Market).

### **Tax Implications**

Market Traders will be advised to seek professional tax advice. Our understanding is that the offer of the gazebo will be taxable as a benefit in kind; however, the value of the gazebo can be offset on their tax return.