

FAREHAM

BOROUGH COUNCIL

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| Name of Grant | Additional Restrictions Grant (ARG) Scheme |
| Sub-section | Tranche 2 |
| Part | 1 |
| Abbreviation | ARG-T2P1 |
| Start Date | 26/12/2020 |
| End Date | Midnight 19/03/2021 |

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, and in anticipation of future 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 will be awarded within the 2020/21 and 2021/22 financial years, however an additional £1,032,504 was received as the ARG-Top Up in January 2021, increasing the fund total to £3,357,164.

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

Fareham Borough Council has adopted a set of principles which underpin how the ARG funds will be used. The table below shows that the funds will be allocated into two tranches, and a wider support scheme. There may be some movement of funding between the parts depending on the level of take up.

| Part of Scheme | Time period | % of Funding Allocated | Value of Funding |
|--|--------------------|-------------------------------|-------------------------|
| First Tranche of Grants to Businesses | Dec 20 - Feb 21 | 27.7% | £929,864 |
| Second Tranche of Grants to Businesses | Jan 21 - Mar 21 | 27.7% | £929,864 |
| Wider Support Schemes | Apr 21 - Mar 22 | 13.8% | £464,932 |
| ARG Top-up | TBC | 30.8% | £1,032,504 |
| | | | £3,357,165 |

This document covers the First Part of the Second Tranche of Grants to Business.

TRANCHE 2 PART 1 - GRANTS TO BUSINESSES SCHEME (ARG-T2P1)

This grants scheme will apply to the period commencing on Saturday 26th December 2020 and ending midnight on the 19th March 2021 (12 weeks). This covers the period that the borough was in the Tier 4 restrictions, the January/February National Lockdown and anticipates that at the end of the Lockdown the Borough will return to a Tier 4 or Tier 3.

The aims of this scheme are to provide support to businesses (including charities, non-profit organisations, community interest companies or similar organisations) in the Borough of Fareham who have been affected by the impact of the restrictions.

The scheme provides support to businesses who are not eligible for any of the following grant schemes: Local Restrictions Support Grant (Closed) Addendum (Tier 4), Local Restriction Support Grant (Closed) Addendum 2 or Local Restrictions Support Grant (Closed). However, businesses can receive Additional Restrictions Grants and Local Restrictions Support Grant (Open) for the same period.

This scheme covers the same 3 eligible groups as the ARG-T1 scheme:

Criteria 1 - Businesses operating from rateable properties not eligible for the Local Restrictions Support Grant (Closed) Addendum 1 who have suffered as a result of the November National Lockdown.

| Sub-Group | Rateable Value (on 04/11/2020) |
|------------------|---------------------------------------|
| 1a | £15,000 or less |
| 1b | Over £15,000 and less than £51,000 |
| 1c | £51,000 or more |

Criteria 2 - Businesses operating in a commercial non-Rateable Property (including shared office spaces), who have suffered or been forced to close as a result of the November National Lockdown.

Criteria 3 - Businesses operating from a domestic property, who have suffered or been forced to close as a result of the National Lockdown, and who will have not been eligible for previous grant schemes.

Cost of the Scheme

Funding up to £929,864 has been set aside for this ARG-T2 Scheme.

How much Grant will be paid under the ARG-T2P1 Scheme?

The amount awarded will be based on the amount awarded from the ARG-T1 grant for those who are eligible.

| Amount received in ARG-T1 | ARG-T1 Criteria | Amount awarded in ARG-T2P1 |
|---------------------------|-----------------|----------------------------|
| Up to £1334 | 1a, 2, 3a | £4,000 |
| £2000 | 1b | £6,000 |
| £3000 | 1c | £9,000 |
| £3,834 | 3b | £4,000 |

An additional top up of £2,500 will be awarded to businesses in the criteria 2 group, who did not receive the Local Authority Discretionary Grant (**criteria 2b**).

Who is Eligible for the ARG-T2P1 Scheme?

Any business who received a payment under the ARG-T1 scheme is eligible for this scheme unless:

- They are no longer trading
- They have moved out of the Borough
- They are insolvent, bankrupt or have had a striking off notice registered
- They are eligible for Local Restrictions Support Grant (Closed) Addendum T4, Local Restrictions Support Grant (Closed) Addendum 2 or Local Restrictions Support Grant (Closed).

Applying for a Grant

As all must have previously applied for and been awarded an ARG-T1 grant, no new application is required. Each recipient will be responsible for declaring if they no longer reach the eligibility criteria and will be prompted to report if their situation has changed as part of the payment process.

If they remain an active company at the commencement of the ARG-T2P1 grant and are still eligible, then they will receive a payment.

The Council reserves the right to make further enquiries to clarify or confirm the information provided in the application.

Continued eligibility may be assessed by officers using information submitted and other sources including use of Companies House website, Northgate database, Spotlight and publicly available information such as Facebook and the business' webpages.

Assessment and Prioritisation of grants

The fund is limited therefore once the fund has been used there will be no additional grants paid. Alternatively, surplus funds may be allocated to another ARG scheme.

The Council reserves the right to close the scheme if it is likely to become oversubscribed, in which case grants will be awarded on a first come basis.

The Council reserves the right to change the criteria of the scheme, including the amount of the grant, if it is likely to become oversubscribed or it becomes clear that the scheme may result in payments that were not intended.

The Council also reserves the right to use its discretion when assessing applications, where the principles of the scheme are being met but particular details of the scheme are preventing payments to businesses which the Council intended the grants scheme to help. However, there is no discretion over the maximum amount of the grant which can be awarded and the decision to use discretion for any application will be agreed by at least 2 authorising officers.

Award of grant

All will be reviewed against the eligibility criteria and checked against information provided. All applicants will be contacted to be informed if grant has been awarded or declined with an explanation.

Only one grant per business will be awarded regardless of the number of properties they occupy. If multiple properties are occupied, the grant paid will be based on the property, in the borough of Fareham, with the highest rateable value.

Payment of grant

All payments will be made via BACS (as soon as practicable) and the business must provide bank details for payment, including proof that the account is related to the business.

Tax

Grant income received is taxable therefore funding paid under any Local Authority discretionary grant should be declared for tax purposes.

State Aid / Subsidy Control

The United Kingdom left the EU on 31 January 2020. Fareham Borough Council must be satisfied that all State aid or subsidy requirements have been fully met and complied with when making grant payments.

Businesses must ensure that in accepting the grant they are complying with the latest government guidance on subsidy control which can be found at:

<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 may face prosecution and any funding issued will be subject to claw back, as may any grants 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.

Applicants will need to make declarations within their application, any application received without the declarations complete will be rejected.

Transparency

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

Appeals

There are no further appeals rights for the grant, 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