



**NORTH KESTEVEN DISTRICT COUNCIL**  
**ADDITIONAL RESTRICTION GRANT (ARG) – Adapt and Revive Grant**  
**– 13<sup>th</sup> September 2021**

**1. Introduction**

1. Government announced on the 31<sup>st</sup> October 2020 a four week national lockdown for England and that funding will be awarded to support businesses that are told to close or had been severely impacted as part of the national lockdown.
2. Government further announced a third national lockdown for England on 29<sup>th</sup> December 2020, as which point a number of towns and cities were already in tier 4 restrictions. Additional funding was released by Government to support business forced to closed or severely impacted.
3. Government announced in April 2021 that local authorities would receive a third and final allocation if all of their ARG funding had been spent by 30<sup>th</sup> 31<sup>st</sup> July 2021.
4. Guidance for local authorities on the ARG was updated on the 16<sup>th</sup> June 2021.  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/994386/additional-restrictions-grant-la-guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/994386/additional-restrictions-grant-la-guidance.pdf)
5. North Kesteven District Council (NKDC) has allocated £300,000 from its third and final allocation to offer an ARG Grant for businesses in sectors most severely affected by the pandemic seeking to invest in order to adapt and revive in a post COVID-19 environment. Investments may cover a broad spectrum of capital projects, including: digital readiness, new technology, machinery and equipment, innovation, carbon reduction or working towards a carbon neutral business, R&D and NPD, diversification, training and development, mentoring, business resilience, or property. The grant is discretionary.

6. This guidance sets out the eligibility criteria and details the application process that businesses will need to complete in order to qualify for grant support. This guidance has been produced in line with the Government Guidance for the overall ARG funding.

## **2. Guidance & Eligibility**

1. This discretionary grant will support business in the following sectors most severely impacted by COVID-19. Businesses operating in other sectors are not eligible for this grant.
  - Hospitality (pubs, restaurants, cafes and hotels)
  - Weddings and Events (in NK)
  - Leisure (including sports and equestrian)
  - Retail (independent only)
  - Close Contact Services (including hair and beauty, gyms and therapies)
  - Food Drink & Catering (including manufacture, wholesale etc)
  - Visitor Economy
  - Supply Chains to the above
2. To be eligible for the ARG Adapt & Revive grant a business must have been trading on 12<sup>th</sup> April 2021. This grant is not aimed at start-up businesses. New businesses should apply for the ARG Start-up Grant.
3. Limited Companies, Partnerships, Sole Traders, Registered Charities the self-employed and committee run organisations are eligible for this grant.
4. The applicant **must** be able to provide either company accounts for 2019/20 or 2020/21 or a filed HMRC Tax Return for the equivalent period as evidence of financial viability. Own records will not be accepted. Failure to provide these documents will result in an application being rejected.
5. Businesses will require either a business bank account or a separate bank account that is not their main current account. Transfer accounts are not acceptable.
6. Applicants must be able to demonstrate how the proposed investment will make the business more resilient and sustainable in the future.
7. Businesses must be located within North Kesteven.

## **3. Businesses not eligible for a grant**

1. Companies in Administration, Insolvent or where a Striking-Off Notice are not eligible for funding under this scheme.
2. Businesses that have chosen to close, but are not required to do so under Government lockdown restrictions will not be eligible.
3. Businesses operating outside the sectors listed in 2.1

#### **4. Grant Awards**

1. There is no minimum Grant award. Awards are capped at a maximum of £50,000. The level of funding will be determined by the evidence supplied by the applicant.
2. The Grant will support capital projects only and cannot be used for revenue items including, purchase of stock, staff costs, Personal Expenses/Use or to cash flow the business.
3. Applicants may be required to provide match funding towards, depending on the project and the level of risk.
4. Grant awards will be conditional upon a business plan and financial plan supplied by the applicant and a risk assessment carried out by the validation team.
5. For the Adapt & Revive Grant applicants must be able to evidence how the pandemic has affected their business – impacts could be positive as well as negative.
6. Applicants must be able to demonstrate how the proposed investment will make the business more resilient and sustainable in the future.

#### **5. Applying for the ARG Adapt and Revive Grant**

1. The application process will be digital, via electronic form only and a link will be available on the Council' website and promoted through Council Social Media accounts and weekly BusinessNK newsletter. Any business that is unable to apply online should contact the Grants Team directly for assistance.
2. All applicants must provide the following information;
  - Business Name/Address and contact information
  - Date business started
  - Sector/type of business
  - Company Registration Number (if registered)

- Registered Charity Number (if applicable)
  - Company VAT number (if applicable)
  - Date of Birth & National Insurance Number
  - Number of employees (if applicable)
  - Evidence of the impact of the pandemic upon trading
  - Evidence of the impact of the proposed investment
  - Business Plan/Draft Plan (including a financial plan)
  - 2020/21 Company Accounts or HMRC Tax Return
  - Bank details and copy of recent bank statement
  - Details of how much funding is required and what it will be used for
  - Data usage declaration
  - Fraud declaration
3. All applications will undergo initial assessment against policy criteria set out in Section 2 by the grant validation team.
  4. All applications will be subject to financial checks via Spotlight and NFI checks.
  5. Eligible applicants will be contacted directly by a member of the team for additional information and clarification as appropriate.
  6. Failure to provide the requisite information or pass financial checks will result in applications being rejected.

## **6. Timescale and Award Process**

1. The Council will be opening the online application process on Monday 13<sup>th</sup> September 2021 and will remain open until the allocated funding pot is exhausted.
2. After validation, eligible applications will be assessed by a qualified Business Advisor working with the Grants Team.
3. All applications will be subject to a risk assessment.
4. Recommendations will be made by Advisors to an NKDC Panel representing The Council for approval and confirmation of award amount.
5. Decisions will be communicated to applicants via email as soon as possible after panel meetings.
6. This grant scheme is discretionary, The Council's decision is final and there is no right of appeal.

7. Payments will be made as soon as possible after panel decisions.
8. All payments will be made by the 31<sup>st</sup> March 2022.

## 7. Additional Details

1. Grant income received by a business is taxable therefore funding paid under the Local Authority, Additional Restriction Grant Scheme will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.
2. The Council will not accept deliberate manipulation and fraud. Any business caught falsifying their records to gain additional grant money will face prosecution and any funding issued will be subject to claw back as may any grants paid in error.
3. Subsidy Allowance rules and requirements apply to this scheme and applicants will be required to complete a declaration statement.

Under the scheme rules for COVID-19 business grants the maximum level of subsidy that an economic actor may receive under each level of allowance is set out below:

**Small Amounts of Financial Assistance Allowance** - this allowance is the equivalent of 325,000 Special Drawing Rights, to a single economic actor over any period of three fiscal years and includes any subsidy previously received as *de minimis* aid or as Small Amounts of Financial Assistance under Article 3.2(4) of the TCA from any subsidy awarding body.

**COVID-19 Business Grant Allowance** - if limits are reached under the Small Amounts of Financial Assistance Allowance, the COVID-19 Business Grant Allowance enables a further £1,600,000 to be paid to a single economic actor. This allowance includes any grants previously received under the COVID-19 business grant schemes and any State aid previously received under Section 3.1 of the European Commission's Temporary Framework across any other UK scheme.

**COVID-19 Business Grant Special Allowance** – if limits are reached under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, you may be able to access a further allowance of funding of up to £9,000,000 per single economic actor if a series of further conditions are met (see Annex 1).

In total an economic actor could combine the allowances and potentially receive a total allowance of £10,935,000 from these business grants schemes (subject to the precise applicable amount calculation for the Small Amounts of Financial Assistance Allowance).

You may need to declare these amounts to any other subsidy awarding body who requests information from you on how much subsidy you have received.

You must therefore retain this letter and produce it on any request from the UK public authorities.

Grants provided in excess of the Small Amounts of Financial Assistance Allowance may not be granted to applicants that were defined as an 'undertaking in difficulty' on 31 December 2019 (see Annex 2). Grants can be granted to micro or small enterprises that were already in difficulty on 31 December 2019 provided that they are not subject to collective insolvency proceedings.

4. Data collected and processed in part of the application process will be processed in accordance with the Data Protection Act 2018. Data may be shared with other Departments within the Council, HMRC and other Government departments for the purpose of improving services, keeping records up-to-date and for the protection of the public fund. All personal data is treated with the utmost care and appropriate steps to protect it. NKDC do not sell any personal information to anyone and will never share your information for marketing purposes. For further information, please see the privacy notice here: <https://www.n-kesteven.gov.uk/privacy/>