



NORTH KESTEVEN DISTRICT COUNCIL
ADDITIONAL RESTRICTION GRANT (ARG) – Start-Up Grant

- 27th September 2021

1. Introduction

- 1.1 Government announced on the 31st 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.
- 1.2 Government further announced a third national lockdown for England on 29th 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.
- 1.3 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 31st July 2021.
- 1.4 Guidance for local authorities on the ARG was updated on the 16th June 2021.
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/994386/additional-restrictions-grant-la-guidance.pdf
- 1.5 North Kesteven District Council (NKDC) has allocated £100,000 from its third and final allocation to offer a ARG Start-Up Grant for businesses that started on or after the 12th April 2021 or for people looking to start up a business or who have come off the furlough scheme and looking at new opportunities.
- 1.6 This guidance sets out the process for eligibility for grant support and the application process that businesses will need to complete in order to qualify for grant support under the ARG Start-Up Grant. This guidance has been produced in line with the Government Guidance for the overall ARG funding.

2. Guidance & Eligibility

- 2.1 This grant is to support start-up businesses only

- 2.2 To be eligible for the ARG Start-Up Grant, your business must have started on or after 12th April 2021 or be in the planning stages of establishing a business.
- 2.3 Business must be able to provide a Business Plan and / or a financial plan upon request.
- 2.4 This grant cannot be used towards staffing costs or for personal use.
- 2.5 Business will require either a business bank account or a separate bank account from their current account. Transfer accounts are not acceptable.
- 2.6 Priority will be given to start-up businesses in the Retail, Hospitality and Leisure sector and their supply chain.
- 2.7 Businesses must be located within North Kesteven.
- 2.8 Business must provide proof of trading before being awarded the grant.

3. Businesses not eligible for a grant

- 3.1 Companies in Administration, Insolvent or where a Striking-Off Notice are not eligible for funding under this scheme.
- 3.2 Businesses that have chosen to close, but are not required to do so under Government lockdown restrictions (see list) will not be eligible.

4. Grant Awards

- 4.1 Grant award amount will be determined by the amount requested from the applicant and evidence supplied.
- 4.2 This is a capital grant aimed at supporting business launch activities including marketing, digital readiness, machinery/equipment, fit-out of previously vacant premises, training or similar business related activities. It cannot be used for revenue items such as purchase of stock, staff costs or business cash flow.
- 4.3 Applicants should be able to provide match funding towards the purchase of items.
- 4.4 Grant awards will be conditional to ongoing dedicated business support by the Economic Development Team at NKDC.

5. Process for applying for ARG Start Up Grant

5.1 Applicants will be required to submit an online application, providing the following information;

- Business Name/Address and contact information
- Sector/type of business (Nature of Business)
- Company Registration Number (if registered)
- Registered Charity Number (if applicable)
- National Insurance Number & date of Birth (if Sole Trader)
- Date Business Established (If Applicable)
- Company VAT number (if applicable)
- Number of employees (if applicable)
- If new business details of previous employment
- Business Plan/Draft Plan
- Bank details and copy of recent bank statement
- Details of how much funding is required and what it will be used for
- Fraud declaration
- Data usage declaration

6. Timescale and Application Process

- 6.1 The Council will be opening the online application process on Monday 27th September 2021 and will remain open until the allocated funding pot is exhausted.
- 6.2 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.
- 6.3 Applications will be assessed by a qualified Business Advisor working with the Grants Team, applicants may be requested to provide further information or clarity before a decision is made.
- 6.4 All applications will be risk assessed on the success of the model of the business serving for more than 12 months.
- 6.4 All applications will be presented to a corporate panel by the Business Advisor for final decision and confirmation of award amount.
- 6.5 The Council's decision is final and there will be no right for appeal.
- 6.6 Payments will be made after the corporate panel has met and the appropriate Spotlight and NFI checks have been carried out.

6.7 All final payment must be made by the 31st March 2022.

6.8 No payments will be able to be made after 31st March 2022

7. Additional Details

7.1 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.

7.2 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.

7.3 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.

- 7.4 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/>