



COVID-19 Business Support Grant Guidance ARG Resilience Grant October 2021

DEADLINE: 5pm 15 November 2021

Introduction

1. Following defrayal of its £2,088,967 discretionary Additional Restrictions Grant (ARG) allocation from Government, the District Council triggered further top-up funding of £817,193 in July 2021. The additional funding allocation must be spent by 31 March 2022.
2. Approximately 80% of the top-up allocation has been awarded to businesses impacted by COVID restrictions. This included an ARG Recovery Grant for businesses ineligible for the Government's Restart Grant. The most recent scheme, the Extended Restrictions Support Grant which closed in September, focused on the Hospitality sector, specifically businesses paying business rates and other fixed premises costs but still facing capacity restrictions following the delay to stage 4 of the Government roadmap for re-opening.
3. ARG funding totalling £175,258 remains available for allocation. Government guidance and the award letter received for the ARG top-up requires that Local Authorities allocate funding through business support grants or wider business support measures. It also confirms that Local Authorities should continue to issue grants at their discretion, based on local economic needs.
4. To support the continued recovery of the local economy, **the District Council proposes to utilise the remaining ARG allocation to help small and micro-businesses to adapt, diversify and improve resilience post COVID.** Priority will be given to businesses operating from business premises and employing staff in order to assist longer term economic recovery. Applications from businesses with growth plans curtailed as a result of COVID restrictions will also be considered.

Objectives of the Grant

5. Applications should contribute to one or more of the following objectives:
 - Increase business turnover
 - Enhance business productivity
 - Enable diversification into different products / services or business expansion
 - Improve efficiency / enable a reduction in the carbon footprint of the business
 - Safeguard jobs

- Enable job creation (including apprenticeships or new positions following a Kickstart placement)
6. The District Council would particularly welcome applications from businesses in sectors prioritised in its COVID-19 Economic Recovery Plan, i.e.
1. Manufacturing (especially advanced manufacturing, and food and drink manufacturing)
 2. Engineering (especially green and environmental engineering)
 3. Knowledge based / creative and digital industries

that will lead to the creation of permanent, skilled jobs in the Derbyshire Dales and may prioritise grant awards accordingly.

Core Eligibility Criteria

7. Grant support at **50% of eligible project costs up to a maximum of £20,000** will be considered for projects **costing more than £10,000 up to £40,000** (excluding recoverable VAT) from trading businesses meeting the eligibility criteria below. Larger projects may be considered in exceptional cases where grant funding is necessary for the project to proceed. However, the maximum grant will remain at £20,000:
- Be a small or micro-businesses. To qualify, the business – including any linked economic entities – must satisfy two or more of the following requirements in a year:
 - a headcount of staff of less than 50
 - a turnover of not more than £10.2m
 - a balance sheet total of not more than £5.1m
 - The business must have a trading address within the Derbyshire Dales District Council area
 - The business must have been trading for a minimum of 12 months at the time of application (as this grant is focused on enhancing business resilience, new start businesses will be referred to the Vision Derbyshire Business Support Programme and Grant Scheme)
 - The business must be registered as a Ltd company on Companies House or be a sole trader or partnership registered with HMRC and have a Unique Tax Reference number
 - The business must provide a statement detailing the impact of COVID restrictions on their business
 - Unless a farm diversification scheme, the business must represent the applicant's primary source of income (exceptional circumstances may be considered)
 - The business must be able to complete their project and claim their grant by the **28th February 2022**
 - Only one application per qualifying business.

Eligible Costs

8. Eligible expenditure includes the following costs where it can be demonstrated that the proposed investment will directly support the grant objectives (costs / activities need to be new to the business and not ongoing costs):
- new equipment, machinery or technology required to adapt / develop / diversify the business inc. investment in e-commerce, on-line booking systems, more efficient production processes and equipment to take advantage of post pandemic opportunities and develop new products / services
 - cost of buying in training for business owners, employers, managers or employees including short courses and bespoke skills from private organisations, universities or other organisations and specialist consultancy advice not available through other funded schemes
 - expenditure to reduce the carbon footprint of the business and enhance energy efficiency e.g. new LED lighting, EV charging points.

Exclusions

9. The following exclusions apply:

- Businesses which are dormant, in administration, insolvent or subject to a striking off notice
- Businesses that have already received grant payments that equal the maximum permitted levels of subsidy (under UK rules)
- Projects whereby Local Authorities are the recipient of funds
- Businesses which have been able to trade throughout the pandemic because they do not depend on providing direct in-person services from premises and can operate their services effectively remotely including: accountants, solicitors, insurance agents, on-line businesses, financial advisors and other financial services including banks, building societies, bureaux de change and loan providers
- Other businesses excluded include: post office sorting offices, businesses primarily providing take-away, landlords and property developers, primary agricultural producers, care homes and GP practices (list not exhaustive). Vacant premises and car parks are also excluded
- Businesses which are part of national chains or franchises
- Businesses eligible for the Fisheries Response Fund, Domestic Seafood Supply Scheme, the Zoos Support Fund or Dairy Hardship Fund
- Organisations whose activities are contrary to the vision and values of the District Council as set out in section 5.4 of the Council's Policies for Discretionary Rates Reliefs December 2018¹

¹ [NNDR Discretionary Reliefs Policy Approved 5 December 2018.pdf](#)

Ineligible project costs include:

- costs incurred prior to grant approval being received
- ongoing business overheads inc. routine marketing and promotion, equipment leasing costs, recurring licence fees, subscriptions and service charges, repairs and maintenance, banking, insurance, legal and accountancy fees
- purchase of stock
- wage costs and related employment costs
- capital build and associated costs e.g. land and consents
- relocation costs i.e. the costs of moving the business from one premises to another
- like for like replacement equipment inc. computers, general software and printers (N.B. upgrading of equipment resulting in improved business productivity is eligible for consideration)
- Soft furnishings, beds, tables, chairs, cutlery and crockery, curtains, televisions and audio equipment etc. Applications from hospitality businesses (defined as a business whose main function is to provide a venue for the consumption and sale of food and drink) seeking to adapt their premises longer term to cater for outdoor customers and seeking grant support towards new outdoor furniture will be considered subject to meeting minimum expenditure criteria
- vehicles (with the exception of E-bikes)
- agricultural business costs. Farms diversifying into non-agricultural activities may apply
- projects carried out only to meet a legal / statutory requirement
- contingency costs
- in-kind contributions e.g. using your own labour, vehicle and office space
- single items of equipment / expenditure below £500
- recoverable VAT.

Subsidy Allowance (State Aid)

10. All grants provided under the ARG Resilience Grant must be compliant with Subsidy Allowance rules based on the EU-UK Trade and Co-operation Agreement (TCA). These grant payments, plus other public sector assistance received, including COVID payments, count towards the Small Amounts of Financial Assistance Allowance an economic entity (an entity or group of entities constituting a single economic entity regardless of legal status) may receive over a three-year period of approximately £335,000.

11. Grants will normally be awarded under the Small Amounts of Financial Assistance Allowance. Businesses applying for assistance will be required to confirm that in accepting a grant, the business, including any linked entities together constituting

a single economic entity engaged in economic activity will not exceed the maximum level of subsidy permissible. Further details are available at www.gov.uk

12. Where the Small Amounts of Financial Assistance Allowance has been reached, grants may be paid in compliance with the Principles set out in Article 3.4 of the TCA and in compliance with Article 3.2(3) of the TCA under the COVID-19 Business Grant Allowance (subsidies granted on a temporary basis to respond to a national or global economic emergency). For the purposes of these scheme rules, this allowance is £1,600,000 per 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. This may be combined with the Small Amounts of Financial Assistance Allowance to equal approximately £1,935,000 (subject to the exact amount applicable under the Small Amounts of Financial Assistance Allowance using the Special Drawing Right calculator).
13. Recipients will also need to declare any grant funding awarded to any other aid awarding body who requests information on how much public aid you have received.
14. All grants awarded will be subject to tax and will need to be declared as income.

Grant Application Process

15. Businesses must apply using the on-line application form.
16. All applications will be expected to include a minimum of one written quotation (or screenshot with dates clearly visible) for single items of expenditure up to £1,000 and under normal circumstances will require three quotations for single items of expenditure above £1,000. **Only formal quotations from other registered businesses or sole traders can be considered.** Single quotations may be considered for specialist items / services.
17. Businesses will be required to submit full details of their business, including Companies House registration details (where applicable), HMRC UTR details, business bank details and attach their latest company accounts or tax return.
18. Grant awards will be based on the information submitted and declarations made by a business within their application. The Government and the District Council will not accept deliberate manipulation or fraud. Any business providing false or misleading information to gain grant money will face prosecution and any funding issued will be subject to clawback, as may any grants paid in error.

19. As part of their application, businesses will be required to make a series of declarations to confirm their eligibility for grant assistance, including Subsidy Allowance compliance, and that the information they have provided is accurate. Businesses which satisfy the criteria above and previously in receipt of COVID grant funding may apply to the ARG Resilience Grant.
20. Information provided by businesses will be subject to both pre and post payment checks by District Council officers. The District Council reserves the right not to proceed any further with an application if there is doubt over the evidence provided.
21. Applications will be determined by District Council officers using the criteria set out in this document. A record will be made of the decision, the grant awarded, or the reasons for rejection. The decision will be notified to the applicant in writing (email) and where a grant has not been awarded, a short explanation of the reason will be given.
22. The District Council aims to assess fully completed applications within 20 working days. Successful applicants will be issued with a grant award letter based on eligible project costs setting out the terms and conditions of the grant. The process for the ARG Resilience Grant is set out in **Appendix 1**.
23. If you have been informed that your business is not eligible for an ARG Resilience Grant and you feel that the decision is wrong, you can appeal for that decision to be looked at again. Your case will then be reviewed by a different officer(s) to check that the initial decision was correct. There will be no appeals process in relation to the grant amount awarded.

Deadline for Applications

24. Because there is a limited pot of funding available the District Council needs to set a deadline for applications. The deadline for applications to the ARG Resilience Grant is **5pm 15 November 2021**.
25. Should the grant fund be oversubscribed the District Council reserves the right to end the call for applications before the call deadline and only consider those applications received to this point.

Grant Award and Claims Process

26. Grants will be paid in arrears. Businesses will be expected to fund 100% of the project cost upfront. The eligible grant amount will then be reimbursed on production of a receipted invoice / evidence of payment from the business bank account. Any expenditure incurred prior to receipt of a grant award is ineligible.

27. All project expenditure should be made and evidenced through the applicant's business bank account. Cash payments, personal credit card or Paypal payments are not deemed an eligible payment method and will not be considered.
28. All projects must be completed and final grant claims submitted **by 28/2/2022**.
29. The District Council aims to pay fully completed claims within 10 working days. Payments will only be made upon receipt of a fully completed claim form and evidence of expenditure incurred.

Other Important Information

30. Grant income received by a business is taxable therefore funding paid under the ARG Resilience Grant will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.
31. Grant claims will be processed through a series of checks, including checks against our business rates database and checks for fraud including use of the Government Spotlight anti-fraud software and the National Fraud Initiative database. The District Council reserves the right to verify/put on hold any application to enable detailed checks to be carried out. Any suspected cases of fraud will be investigated by the Council's Auditor and passed onto relevant the relevant Government agency.
32. The Government guidance on which this document is based has been subject to change and, as such, this document may also be subject to change. The District Council does not accept any liability if any of the changes affect the eligibility of any business for Additional Restrictions Grant support. In addition, the District Council does not accept any liability for any issues that may arise for businesses because of applying for, receiving, or not receiving payments under this Grant.
33. The District Council reserves the right to publicise business projects receiving support from the ARG Resilience Grant fund. A condition of grant is that you must cooperate in any media or photography activity organised by or agreed by the District Council.
34. Enquiries regarding the Grant can be emailed to ARGAppraisalTeam@derbyshiredales.gov.uk

Privacy Notice

Derbyshire Dales District Council takes your privacy seriously. We will treat all personal information provided in confidence and store it securely in accordance with the Data Protection Act 2018 and General Data Protection Regulations.

Your information will be used for the purpose for which it was intended, to provide a Coronavirus community response.

Your data may be shared with other departments within the Council, other Government Departments, Councils and third party processors operating on their behalf. We may also share information with other enforcing authorities for the purpose of preventing fraud, misuse of public funds and any legal or statutory requirements.

For more information on how we process your personal data and your rights as a data subject, visit www.derbyshiredales.gov.uk

APPENDIX 1

ARG Resilience Grant October 2021 Process Diagram

PLEASE NOTE – this grant application is a 3 stage process

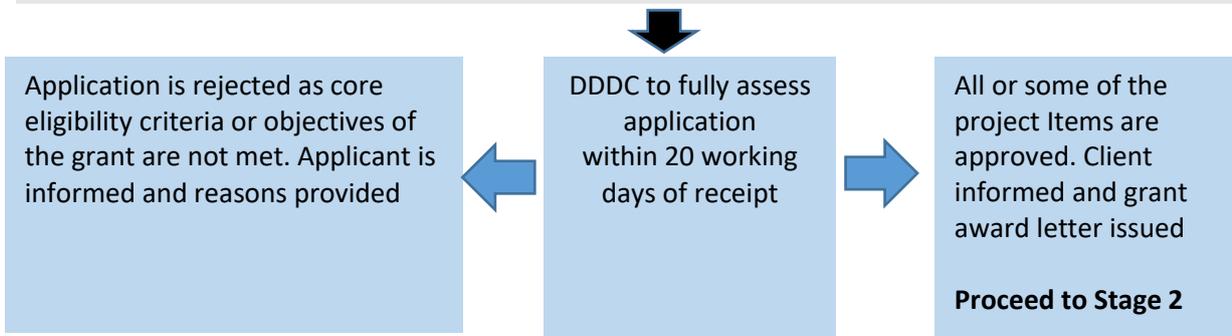
STAGE 1 – SUBMIT APPLICATION

Application to be submitted online before 5pm on the 15 November 2021

Please read the Guidance to check eligibility before starting the application

At this stage applicants are required to submit:

- Full details of the business including Companies House registration number or HMRC unique tax reference number and VAT registration number (if applicable)
- Copy of a recent business bank statement evidencing at least 28 days of trading. Account number and sort code must be shown.
- Latest set of business accounts
- 1 quote for items up to £1000 and 3 quotes for each item over £1000



STAGE 2 – APPLICANT MUST NOW SPEND OWN FUNDS ON THE PROJECT

Applicant must make the approved purchases and use their own funds for payment.

Payments MUST be made from the applicant's business bank account. Cash, personal credit card or paypal payments are not acceptable payment methods.

STAGE 3 – APPLICANT MUST SUBMIT THEIR CLAIM

Applicants must use the link sent to them to submit their claim as soon as their project is completed and **before the 28 February 2022**

At this stage applicant must submit:

- Copies of receipted purchase invoices for approved spend
- Evidence of the approved expenditure being paid from the business bank account via bank statement

Claim checked by DDDC and businesses paid approved claim amount within a target of 10 working days