

Malvern Hills District Council Discretionary Grants Scheme

Additional Restrictions Grant (ARG)– Round 1

Introduction

1. As a part of the England wide lockdown (5 November 2020 – 2 December 2020) The Government has provided councils with funding to support local businesses affected by additional restrictions. In Malvern Hills district there are two grants that the council is administering. These are:
 - Local Restrictions Support grant (LRSG) – aimed at businesses with a rateable value who have been forced to close because of lockdown restrictions. Eligible businesses may be entitled to a cash grant of up to £3,000 from the council for each 28-day period under national restrictions. The application process for this is available on the [Covid-19 Business Information page](#) of the Malvern Hills District Council website.
 - Additional Restrictions Grant (ARG) – for businesses that have been forced to close but are unable to access the LRSG because they don't have a separate business rates account or who haven't been forced to close but are still severely impacted by the national coronavirus restrictions.
2. This document sets out which businesses are entitled to apply for the discretionary ARG grant and the process for applications.
3. The deadline for applications to the first funding round is **12 noon on 20 December 2020**

Council approach

4. The Government guidance issued in November 2020 gives the council discretion over the grant scheme and its decisions regarding the scheme will be final.
5. The funding allocated to the council by the Government can be used for a range of business support measures up to April 2022. This requires allocation to make sure funding is available for future business support in the long-term. Funding has been set aside in tranches to allow delivery of support in a phased manner.

6. The council has allocated £250,000 for the first round of the ARG scheme. This initial funding round will focus on providing grants of up to £3,000 (in line with LRSG limits) per business.

Which types of business will be prioritised in the Discretionary Grants Fund?

7. This first round of funding will only be available to businesses trading on the 4 November 2020 and not eligible for the LRSG. Businesses must meet the following criteria, which will be used to prioritise applications:

- The importance of the business to the economy as an employer
- Whether or not the business has been forced to close or can demonstrate a significant reduction in revenue due to lockdown restrictions on trade from November 4.

8. The following types of businesses in the retail, hospitality, events, and leisure sectors may be eligible for grants from this funding pot:

- Businesses with a rateable value involved in the supply chain to businesses that have been mandated (forced) to close by government.
- Businesses without a rateable value involved in the supply chain to businesses that have been mandated (forced) to close by government.
- Businesses without a rateable value that have been mandated (forced) to close by government.

9. Companies that are in administration, are insolvent or where a striking-off notice has been made before the 4 November 2020 are not eligible for funding under this scheme.

Evidence Required

10. Businesses must demonstrate they meet the eligibility criteria above or their application will not be considered. To do this, you will need to provide:

- Evidence to demonstrate a substantial loss in income as a result of the current lockdown (5 November to 2 December 2020)
- Evidence that the business was operating on 4 November 2020
- Evidence that the business, or its main supply chain, was mandated (forced) to close
- Confirmation of State Aid compliance

State aid

11. There is a requirement for all grants made under this scheme to be state aid compliant.

[Read the further government guidance on State Aid compliance \(section 58 to 62\).](#)

Grant Amounts and how payments will be made

12. It is expected that most grant awards made will be similar to those made under the LRSG scheme which allows for payments of **up to** £3,000.

13. In order for the ARG to benefit the maximum number of eligible small businesses, grants awarded will be proportionate to the impact on the income of a business as a result of national coronavirus restrictions.

14. Applications for the grant can be made online at www.malvern hills.gov.uk/business-support-and-jobs/covid-19-information-for-businesses. Before payments are made eligibility checks will be carried out.

15. Payments will be made by BACS directly to the bank accounts of approved recipients.

16. The deadline for Round 1 applications is 12 noon on 20 December 2020.

Other information

17. Grant income received by a business is taxable therefore ARGs paid as part of the council's discretionary funding will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.

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

19. The council does not accept any liability for any issues that may arise for businesses because of applying for, receiving, or not receiving grant payments under this scheme.

20. Enquiries about the scheme should be emailed to ecodev@malvern hills.gov.uk