

Additional Restrictions Grant Third Top-up Scheme

Introduction

1. On 21 December 2021, the Government announced that a further £102m would be made available for local authorities through a top-up to the Additional Restrictions Grant (ARG) to support businesses severely impacted by the rise of the Omicron variant. This is in parallel with additional rates-related grants through the Omicron Hospitality and Leisure Grant (OHLG). York's share of the third ARG top up is £300,786.
2. ARG is administered by business rate billing authorities in England, with government guidance stating that the third top-up payment should only be allocated to business support grants and not fund wider business support measures. The Government has suggested a range of business sectors that could be eligible for funding from the third top up. To quote the advice:

These may include, but are not limited to: hospitality, accommodation, leisure, personal care, the travel and tourism sector, including group travel, travel agents and tour operators, coach operators, wedding industries, nightclubs, theatres, events industries, wholesalers, English language schools, breweries, freelance and mobile businesses (including caterers, events, hair, beauty and wedding related businesses), gyms, and other businesses that may have not received other grant funding. There is no restriction on the number of grants a business may receive, subject to subsidy limits.

3. Local authorities are required to receive new applications from businesses, capturing a wide range of information including the cumulative total of previous funding received under all Covid-19 business grant schemes and proof of Omicron impact on trading.
4. The following exclusions apply to ARG funding:
 - a. Businesses that have already received grant payments that equal the maximum permitted levels of subsidy (£335k over a 3 year period with some additional rules) will not be eligible to receive funding
 - b. Businesses that are in administration, insolvent or where a striking-off notice has been made are not eligible for ARG

- c. ARG funding should not be used as a wage support mechanism, for capital projects that do not provide direct business support, or to fund projects whereby Local Authorities are the recipients.

The Scheme

5. The Council will approach businesses in the sectors outlined in paragraph 2 and have already received ARG funding to invite new applications with the following conditions:
 - a. Businesses must demonstrate that they have seen reduced income of at least 30% on normal trading during the current Omicron wave (December 2021 onwards)
 - b. Businesses may not receive more than the agreed subsidy limits (for most businesses, maximum total grant = £335k over a rolling 3 year period).
6. Businesses who have not previously received ARG funding but meet our criteria (para 5) will also be able to apply for funding through our application process.
7. Businesses eligible for the Government's rates-related Omicron Hospitality and Leisure Grant (OHLG) will be deemed ineligible for ARG support and will be directed to that grant scheme.
8. Grant funding will be paid at the following levels:
 - a. Businesses not in premises with a rateable value: one-off grant of £1,500
 - b. Businesses in premises with RV below £15k but not eligible for OHLG: one-off grant of £2,667
 - c. Businesses in premises with RV between £15k and £51k but not eligible for OHLG: one-off grant of £4,000
 - d. Businesses in premises with RV above £51k but not eligible for OHLG: one-off grant of £6,000
9. All spend must take place by 31 March 2022, in accordance with Government guidance.

Roles and Responsibilities

10. The Economic Growth Team will work with the Council's Web Services team to develop the application process through the Council's website.
11. The Economic Growth Team, in conjunction with Communications, will handle communication with the city's business community.
12. The decision on grant awards sits with the Economic Growth Team, based on the information provided through applications.
13. The NNDR Billing team will undertake fraud checks and issue grant payments.