



ARG Recovery Scheme Guidance

Overview

Utilising top up Additional Restrictions Grant Funding provided by Government, Hull City Council is able to consider grant requests from businesses which continue to feel the impacts of the Covid pandemic and require further support in order to sustain the business and to safeguard jobs.

Grants will be considered from businesses:

- Where the continued trading of the business is at risk without grant intervention, following being severely impacted by the Covid pandemic (where a minimum of 3 full time equivalent (FTE) jobs are being safeguarded)

Funding for this grant is limited and it will not be possible to assist all applicants. We will carefully and transparently evaluate applications against the grant scoring criteria/considerations outlined below. Applications will be determined by an experienced panel of at least three Council officers.

Grant funding will be awarded on a competitive basis.

We reserve the right to change the qualifying criteria at short notice if we feel it is appropriate to do so, reflecting changing circumstances and demand on funds.

Grants will be paid into the nominated business bank account by BACS upon approval of application and receipt of any required evidence.

Please note this scheme has an end date of 31st March 2022 and all projects should be practically and financially complete by that date. Terms and conditions apply, please read the scheme guidance in full before completing the Expression of Interest.

Grant funding is not a right – awards will be at the discretion of Hull City Council – there is no right of appeal.

Who can apply? (see also exclusions)

Your business must:

- Be an existing business, trading in the Hull area
- Have a minimum of 3 employees (Full Time Equivalent).
- Be continuing to feel detrimental trading effects of the Covid pandemic
- Priority will be given to business to business, hospitality and manufacturing/added value businesses.

What can the grant be used for?

- The grant can be used to support the survival of the business and safeguarding of jobs (minimum of 3 Full Time Equivalent) at risk by contributing towards appropriate costs, such as rent, rates, utilities and borrowing costs
- Other costs may be considered, please discuss these with your nominated advisor

General Principles

- A clear plan showing how the required grant will lead to recovery and longer term viability of the business is required
- Applicants will need to comply with UK Subsidy Allowance Rules

How do I apply?

You must first complete an online Expression of Interest so that the team can determine your eligibility.

Once eligibility is confirmed, one of our dedicated business advisors will help you develop your application and signpost to any other relevant support. Proceeding to full application should not be taken as an indication that a grant award will be made.

What is expected of me?

- Businesses are expected to engage with their Hull City Council business advisor to develop their application.

What evidence is required?

- Business plan & 2 years detailed Profit & Loss and cash-flow projections, latest audited and management accounts.
- Bank statement (showing at least one company transaction), including date of transaction and name of business
- Companies House Registration or UTR Number from HMRC

Scoring criteria/considerations

- Economic benefits – number of jobs being safeguarded, quality of jobs
- Financial need for public sector intervention – access to own funds, ability to access other sources of finance
- Viability – likelihood of success in safeguarding the business and jobs
- Severity of impact from Covid pandemic
- Compliant with subsidy control (formerly state aid) limits
- Level of fixed costs
- Level of other Covid related business support/grants accessed/received

If successful, how do I claim the grant?

We will make payment once all relevant evidence/information has been supplied and all pre-payment checks have been completed.

You will be advised of the outcome of the grant application via email.

All decisions are final.

Grants will be paid into the nominated business bank account.

Exclusions - Ineligible activity/sectors

- Expenditure to cover wages costs

Businesses that are excluded from this scheme include –

- Retail sector
- Medical related businesses such as doctor surgeries/practices, opticians, vets and dentists
- Professional services such as accountants and solicitors
- Defence sector
- Schools, colleges and universities
- Personal services – businesses predominantly providing services to members of the public such as hairdressers, beauticians, therapists
- Financial services (e.g. banks, building societies, cash points, bureaux de change, short-term loan providers)
- Air B & Bs
- post office sorting offices
- property related businesses that include - property developers and construction
- buy to let businesses
- property refurbishment projects
- residential/commercial landlord businesses
- Businesses that have already received grant payments that equal the maximum levels of State Aid permitted under the EU State aid De-Minimis Regulation and the Covid-19 Temporary State Aid Framework
- For avoidance of doubt, businesses that are in administration, insolvent or where a striking off order has been made, are not eligible for funding under this scheme

The Council reserves the right to decline applications from businesses that it feels it is inappropriate to support.

Managing the risk of fraud

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

Grants and tax implications

Grant income received by a business is taxable. This grant will need to be included as income in the tax return of the business.

Only businesses which make an overall profit once grant income is included will be subject to tax.

Data Protection/sharing data

We are required by Government to collect information from businesses receiving these grant payments, and will be required to account for how the funding has been spent. Grant recipients may be contacted for research purposes, and data will be shared with Government departments including BEIS and HMRC.

If you would like to discuss the ARG Recovery scheme with an advisor, please contact: business.support@hullcc.gov.uk