



Policy Document
Additional Restrictions Grant
(ARG Tranche 3)
Digital Business Grant
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Introduction

In response to the COVID-19 pandemic, the government has announced several financial assistance schemes to support businesses in their local area under Local Covid Alert Level Very High (LCAL3) or national restrictions.

The government is not changing the legislation relating to the provision of grant funding to businesses. Instead the government will, in line with the eligibility criteria set out in the Government Guidance for Local Authorities documents, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended), to grant relief.

It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47.

The document Additional Restrictions Grant – Guidance for Local Authorities (updated 16 June 2021 and further amendments) together with subsequent Frequently Asked Questions documents (issued by the Department for Business, Energy & Industry Strategy – BEIS), provides a framework to assist Local Authorities in designing their own local ARG scheme.

The principles set out in this document have been adopted from the latest guidance highlighted in point d.

On 31 October 2020, the government announced the introduction of additional support for Local Authorities under national and Tier 3 restrictions. See [announcement](#).

On 5 January 2021, the government announced that a further £500 million would be made available for Local Authorities through a top-up to the Additional Restrictions Grant (ARG). View [46 Billion in New Lockdown Grants to Support Businesses and Protect Jobs](#).

Policy decisions were made by Huntingdonshire District Council in November 2020 and December 2020, in line with [ARG Guidance](#) to help support those businesses who were not eligible for the Government's statutory schemes at that time.

And as a result of these policy decisions, throughout the period from November 2020 to June 2021 Huntingdonshire District council made over 1,500 payments totalling in excess of £5.1 Million of ARG funding to support local businesses in Huntingdonshire. 679 Micro, Small and Medium sized businesses have been supported from these tranches of ARG funding.

On 3 March 2021, the government announced that a further £425 million would be made available for Local Authorities, through a conditional top-up to the Additional Restrictions Grant from 1 April 2021: [View Budget 2021 Sets Path for Recovery](#).

The conditional top up set out by government stated that "Local Authorities have

until 30 June 2021 to meet all necessary conditions and prove that they have spent or made a validated attempt to spend 100% of their first two ARG allocations combined”

Huntingdonshire District Council satisfied this criteria in July 2021 and received a further allocation of £1.4 Million of Additional Restrictions Grant Funding, able to be spent up until March 2022.

The Additional Restrictions Grant (ARG) scheme is administered by business rate billing authorities in England.

Aim of this policy

This policy sets out the approach taken by Huntingdonshire District Council in relation to its Huntingdonshire District Council, Additional Restrictions Grant (ARG Tranche 3), Digital Business Grant, commencing November 2021. Other grant schemes (LRHG, LRSG, and RESTART) and previous ARG / ARGE and EARG schemes have a separate policy document, as necessary.

This document should be read in conjunction with the document “Additional Restrictions Grant – Guidance for Local Authorities, last updated in June 2021. In addition to the Frequently Asked Questions document published by BEIS. This policy aims to follow the guiding principles set out in these documents.

The above documents are available through the [gov.uk](https://www.gov.uk) website. They are produced by BEIS – The Department for Business, Energy & Industrial Strategy [Finance and support for your business](#)

Digital Business Grant Details

Huntingdonshire District Council will allocate £200,000 of Additional Restrictions Grant funding to help support the digitisation of Huntingdonshire businesses. Each grant awarded, will be no greater than £2,000.

An applicant must be operating its core business from a trading address from within the district. They must have plans to develop and grow their business by the following digital means:

- Creating a new or enhanced website;
- Better utilisation of social media to increase customer reach;
- Selling more goods and services online;
- Creating a bespoke digital strategy to support growth of the business;
- Obtaining a digital communications plan;
- Deploying digital technology through innovation or business transformation to improve efficiencies;
- Scaling-up existing on-line capability and provision;
- Diversifying products and business models;
- Enhancing infrastructure and equipment;
- Developing e-commerce and online sales;

- Accessing and developing new markets;
- Developing new products and services;
- Developing supply chain and other business efficiencies (for example: integrating business systems to streamline ordering, stock control, billing, dispatch and delivery);

The scheme is open to all established micro, small and medium sized businesses up to 249 employees from any industry sector.

The digital business fund will be open for applications from 23/11/2021.

When business digitisation is a barrier to growth

Applications will also be welcomed from businesses with less financial resilience including businesses who can demonstrate that adoption of digital technology and business digitisation is a barrier to preventing growth. This grant scheme should not be used to delay insolvency and as such, evidence and assurance to demonstrate liquidity may be required.

The sector list may include (but not limited to):

- Theatres and Nightclubs
- Wedding industry
- Live Events
- Hospitality
- Retail and Leisure

Eligibility Criteria

The eligibility criteria is as follows:

- The business / applicant must be based and operating their core business within Huntingdonshire.
- The business must be solvent and trading as of 1 November 2021.
- Businesses from a wide range of sectors can apply.
- The economic benefit must be predominantly felt within the core business of the applicant.
- This scheme provides a one-off payment to ratepaying and non-rate paying businesses who attend a HDC business digitisation workshop as set out in this policy.
- Businesses may apply for one payment per separate legal entity (for example: per sole trader, partnership, or limited company) and the grant decision will be based upon eligibility.
- For a rate-paying business, the business rate hereditaments must be occupied, not empty, and must be in use by the business shown as the current ratepayer on the business rates database as at 1 November 2021.
- Businesses must possess a UK based bank account to receive grant funds.

Grant Award Values

Huntingdonshire District Council have set the grant award values at £2,000 each. This is dependant on the business / applicant attending one of three digitisation workshops and successfully passing fraud checks. The council have allocated £200,000 in total to the digital business grant scheme, meaning this fund is capped at one hundred applications. This scheme will run until 31 March 2022 or until 100 applications have been received, whichever is earliest. As such, the workshops scheduled in January and February may not commence if the demand for this scheme and November workshop is exceptional or oversubscribed.

The council also reserve the right to pay further rounds of funding or to adjust or withdraw the scheme without notice should guidance from Central Government change at any point between the scheme launch and 31 March 2022 or should the funds become exhausted.

Exclusions

- Businesses in administration, insolvent or where a striking off notice has been made will not be able to receive this fund.
- Businesses that have received the maximum level of subsidy will not be eligible to receive this fund.
- Business intermediaries acting on behalf of other businesses will not be able to apply for this fund.
- Businesses with a registered address in Huntingdonshire but no trading activities within the United Kingdom.
- Partnerships that only exist to operate investment funding and other types of finance.
- Businesses proposing to use this fund as a wage support mechanism.
- This scheme is not available to Charities, Not for profit companies, or Community Amateur Sports Clubs.
- This scheme is not available to other public and community bodies, such as town and parish councils, or committees that run village halls, community halls, social clubs, or similar venues.
- The business / applicant can only purchase, upgrade or refurbish I.T Hardware where the business can evidence it will increase revenues and/or headcount or break into new markets. HDC reserves the right to claw back grant awards where IT hardware is purchased without a clear plan for business progression. An example might be the purchase of new mobile phones, tablets or computers which would simply enable business as usual activities to take place without growth, progression or transformation.

Application Process

All applicants must attend a virtual HDC Business Digitisation workshop on one of the following dates:

- 23 November 2021 at 9:30am - 1pm
- 25 January 2022 at 9:30am - 1pm
- 22 February 2022 at 9:30am - 1pm

Attendees will be sent a link to apply for the grant upon the successful completion of the workshop.

All grants will require an online application form to be completed and will be subject to pre-payment checks. Credit checks will be carried out which will include overdue creditors, bankruptcy, county court judgements and director disqualification.

The application process will allow the Council to undertake proportionate pre-payment checks as mentioned above, to confirm eligibility relative to the Digital Business Grant scheme and to allow the appropriate level of grant to be identified.

Applicants will be informed within approximately 4-8 weeks of application receipt as to whether they have been successful, and the value of award granted.

Complaints and Appeals

The decision for each application will be decided by Huntingdonshire District Council's Economic Development Team. If the applicant is dissatisfied with the grant award outcome, they can request a review of the decision. The request should be submitted in writing to hdc@growthworks.uk within 5 working days of the initial decision and should detail the reasons why a review is considered necessary, providing any additional supporting information required. The review will be undertaken by the Senior Responsible Officer at GrowthWorks and the Senior Responsible Officer at Huntingdonshire District Council for the digital business grant, who will not have been involved in the previous decision.

Responses to appeals will be made within 20 working days of the appeal being made. Having exhausted the District Council's Complaints Procedure, the Section 151 Officer at Huntingdonshire District Council decision will be final, and no further communication will be entered in to.

The business may ask the Local Government and Social Care Ombudsman to decide whether the district council was at fault in the process used to determine the decision, but the actual decision - to accept or decline an application for a Grant rests solely with the District Council.

Other Key Information

Grant income received by a business is subject to tax in accordance with HMRC guidelines. Huntingdonshire District Council, Additional Restrictions Grant (ARG Tranche 3), Digital Business Grant will need to be included as income within a business tax return. However, only businesses which make an overall profit once grant income is included will be subject to tax.

Please speak to your trusted financial advisor or accountant / bookkeeper to understand the implications for your business.

Applications will be considered in the order in which they are received by the grants administration team at GrowthWorks and once the fixed fund limit is reached, no further applications will be considered.

Businesses must have been trading (in line with the BEIS definition) on 1st November 2021, to be eligible to receive funding under this scheme.

The Council retains the right to recover grant funding in the event it is evident that the recipient was not the business ratepayer on 1st November 2021 or ineligible for the scheme or if they have not spent the funds in line with the stipulations stated in this policy paper.

The Huntingdonshire District Council (HDC), Additional Restrictions Grant (ARG Tranche 3), Digital Business Grant is a HDC led business grant initiative being administered by GrowthWorks as part of the Cambridgeshire & Peterborough Combined Authority's contract to support businesses.

By applying for this scheme, you agree to being contacted by Huntingdonshire District Council's Economic Development team who are required to gather information relating to funding outcomes as part of the administration of this scheme.

In addition, your data will also be used by the District Council for marketing purposes related to business support and may include future grant schemes, business programmes, events and news.

You can opt-out of future marketing activity by writing to economic.development@huntingdonshire.gov.uk

Anti-Fraud Measures

As part of the appraisal of each application, the Council will undertake pre-payment checks. Credit checks may be carried out which will include overdue creditors, bankruptcy, county court judgements and director disqualification. The Government will not accept deliberate manipulation and fraud. 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.

In addition to pre-payment eligibility checks HDC's Internal Audit team will use government schemes such as the National Fraud Initiative (NFI) to ensure the Council takes reasonable steps in prevention of fraud and error. Data will be shared with the Department of Business, Energy and Industrial Strategy (BEIS) NFI and HMRC. Central government will support local authorities to carry out post-event assurance work.