



BOROUGH OF PENDLE COUNCIL  
ADDITIONAL RESTRICTIONS GRANTS (ARG)  
CHARITABLE ORGANISATIONS SCHEME

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## Definitions

The following definitions are used within this document

**“Additional Restrictions Grant (ARG)”** means the additional funding provided by Government. Funding will be made available to eligible Local Authorities.

**“Covid 19” (coronavirus);** means the infectious disease caused by the most recent discovered coronavirus;

**“Department for Business, Energy & Industrial Strategy (BEIS)”**; means the Government Department responsible for the scheme and guidance;

**“Hereditament(s);** means the assessment defined within Section 64 of the Local Government Finance Act 1988;

**“Local Lockdown”**; means the same as **“Local Restrictions”**;

**Local rating list**”; means the list as defined by section 41 of the Local Government Finance Act 1988;

**“Local Restrictions”** and **“Localised restrictions”** means legally binding restrictions imposed on specific Local Authority areas or multiple Local Authority areas, where the Secretary of State for Health and Social Care requires the closure of businesses in a local area under regulations made using powers in Part 2A of the Public Health (Control of Disease) Act 1978 in response to the threat posed by coronavirus and commonly as part of a wider set of measures;

**“Rateable Value”**; means the rateable value for the hereditament shown in the Council’s local rating list at the date of the local restrictions;

**“Ratepayer”**; means the person who will receive the grant will be the person who, according to the Council’s records, was the ratepayer liable for occupied rates in respect of the hereditament at the date of the local restrictions;

**“Restart Grant or LGRS”**; means the mandatory grant under the Government’s Restart scheme effective from 1<sup>st</sup> April 2021;

**“State Aid Framework”**; means the Temporary Framework for State Aid measures to support the economy in the current COVID-19 outbreak published on 1<sup>st</sup> March 2020; and

**“Temporary Framework for State Aid”**; means the same as the **“State Aid Framework”**.

## **1.0 Purpose of the Scheme and background**

- 1.1 The purpose of this document is to determine eligibility for a payment under the Council's third round of its ARG – Charitable Organisations Scheme.
- 1.2 This scheme has been developed by the Council in response to an announcement made by the Secretary of State for Business, Energy and Industrial Strategy whereby additional restrictions grant payment may be made by the Council to a business which had to close or is severely affected due to the restrictions that were put in place to manage coronavirus.
- 1.3 The ARG Charitable Organisations Scheme will contribute to the post pandemic recovery of the economy through Charitable Organisations and community led businesses that provide vital support to economic activity in Pendle by offering a funding opportunity for new activity provision.
- 1.4 During the pandemic, not-for-profit organisations opening in-person activities experienced restrictions and closures that limited income generation and fundraising opportunities, as well as restrictions to the services that were able to offer people. The recovery of this sector is crucial to ensuring that Pendle remains an attractive area for businesses to start-up, develop and recruit, grow and increase their work whilst also developing the potential of individuals who will use these service.
- 1.5 The fund will support projects that can demonstrate a long-term plan and sustainability beyond the provision of funding. Organisation must show they have been affected by Covid to an extent that requires a grant to provide a service that has direct economic benefits.

## **2.0 Funding**

- 2.1 The ARG Charitable Organisations Scheme is a limited fund which will be distributed on a first come first served basis. When funding has run out there will be not further grants made.
- 2.2 The funding will be allocated based on the impact the charity has on the economy and on economic recovery and the impact Covid has had on the organisation. The decision of the Council on this is final.

## **3.0 Eligibility criteria and awards – Event Support Scheme**

- 3.1 **All** of the following criteria must be met in order to be eligible to apply for grant.
- 3.2 The organisation must be a not-for-profit organisation categorised as a:
  - Independent business; or
  - Registered charity; or
  - Charitable incorporated organisation (CIO); or

- Co-operative; or
- Community interest company (CIC); or
- Sole trader or business partnership

- 3.3 The organisation must have a proven history of delivering successful support programmes, have been trading on 1<sup>st</sup> April 2021 and be based in the Pendle Borough.
- 3.4 Evidence of active trading will be sought from all applicants.

## **The Activity**

- 3.5 To qualify for an award the activity must:
- Provide a not-for-profit service to the residents of Pendle which supports business or people to enter employment; and
  - Begin before 31<sup>st</sup> March 2022
- 3.6 The premises where the activity will take place must be located within Pendle. The premises where the activity will take place must be secured and fully funded prior to the applications.
- 3.7 A signed agreement between the landlord of the premises and the service provider will be sought from the applicant.

## **What a grant can fund**

- 3.8 Not all projects will be eligible for an ARG Youth Activity Scheme grant.
- 3.9 The grant will provide a single on-off grant of up to £10k to support the establishment of new activity provisions, this may include community-based activity leading to up skilling or training and development programmes.

## **Assessment and Award**

- 3.10 The fund is limited with the objective to support as many organisations as possible. The grant is not intended to cover all associated costs. The amount awarded to eligible applicants will be based on an assessment of the evidence provided against the following considerations:
- The level of eligible costs to kick-start the project (eg equipment, furniture, staff, training, marketing, utilities, insurance, licensing, open day events including catering, entertainment, and guest speakers, etc.)
  - The level of involvement for young people in the development of the project
  - The organisations experience and history of running services
  - The number of young people the project will accommodate on a weekly basis

- The development opportunity for participants in the activity ie training, life skills, business skills
- Value for money offered by the project
- Long term sustainability

### **Excluded Businesses**

- 3.11 A business will not qualify for a grant if
- Is not based in Pendle
  - Is an unincorporated association
  - It is a business that operates for profit (eg theatre schools, dance schools, nurseries etc)
  - It has reached the subsidy control limit as defined by central Government
  - It is in administration; is insolvent or a striking off notice has been made

### **Who Can Receive the Grant?**

- 3.12 Where the business is subject to non-domestic rating, the person who will receive the grant will be the person who, according to the Councils' records, is the ratepayer in respect of the hereditament.
- 3.13 Where there is no entry in the rating list for the business, the Council will decide who should receive the grant.
- 3.14 Where the Council has reason to believe that the information it holds about the business is inaccurate, it may withdraw or recover the grant and take reasonable steps to identify the correct business.
- 3.15 Where any business or individual misrepresents information or contrives to take advantage of the scheme, the Council will look to recover any grant paid and take appropriate legal action. Likewise, if any ratepayer is found to have falsified records in order to obtain grant legal action will be taken.

## **4.0 How will grants be provided to Businesses**

- 4.1 The Council is fully aware of the importance of these grants to assist businesses and support the community and economy. The Councils ARG scheme together with other grants will offer a lifeline to businesses who are struggling to survive during the Covid-19 crisis.
- 4.2 Applicants must apply using the application form on the Councils website.
- 4.3 The amount of grant can be substantial in some cases and as the Council is spending public money it may request supporting evidence from applicants to help validate and determine their grant application. Failure to provide the information will lead to the grant application being refused.

- 4.4 The application form must be completed by the business owner. If a third-party agent or advisor applies on the business' behalf, the application will be rejected. The only exception to this is if there are accessibility requirements.

## **5.0 Subsidies and EU State Aid**

- 5.1 The EU State Aid rules no longer apply to subsidies granted in the UK following the end of the transition period.
- 5.2 The United Kingdom remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU.
- 5.3 This scheme is covered by 3 subsidy allowances:
- Small Amounts of Financial Assistance Allowance – the business is allowed up to £335,000 (subject to exchange rates) over any period of 3 years;
  - COVID-19 Business Grant Allowance – the business is allowed up to £1,600,000;
  - COVID-19 Business Grant Special Allowance – if you have reached your limits under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, you may be able to access a further allowance of funding under these scheme rules of up to £9,000,000 provided certain conditions are met.
- 5.4 Grants under these 3 allowances can be combined for a potential total allowance of up to £10,935,000 (subject to exchange rates).

## **6.0 Scheme of Delegation**

- 6.1 Officers of the Council will administer the scheme and the Chief Executive is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and in line with Central Government guidance.
- 6.2 The decision for actual wards will be as follows:
- Grants of up to £20k will be decided by the Planning, Economic Development and Regulatory Services Manager;
  - Grants of £20k to £50k will be decided by the Chief Executive, the Planning, Economic Development and Regulatory Services Manager and s151 Officer; and
  - Grants of £50k or more will be decided by the Chief Executive, the Planning, Economic Development and Regulatory Services Manager and s151 Officer.

## **7.0 Notification of Decisions**

- 7.1 All decisions made by the Council shall be notified to the applicant, either in writing or by email. A decision shall be made as soon as practicable after an application is received.

## **8.0 Reviews of Decisions**

- 8.1 There is no appeal procedure and Council's decision is final.

## **9.0 Complaints**

- 9.1 The Council's Complaints Procedure (available on the Council's website) will be applied in the event of any complaint received about this scheme.

## **10.0 Taxation and the provision of information to Her Majesty's Revenues and Customs (HMRC)**

- 10.1 The Council has been informed by Government that all payments under the scheme are taxable.
- 10.2 The Council does not accept any responsibility in relation to an applicant's tax liabilities and all applicant should make their own enquiries to establish any tax position.
- 10.3 All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to businesses.

## **11.0 Managing the risk of fraud**

- 11.1 Neither the Council, nor Government will accept deliberate manipulation of the schemes or fraud. Any applicant caught falsifying information to gain grant money or failing to declare entitlement to any of the specified grants will face prosecution and any funding issued will be recovered from them.
- 11.2 Applicants should note that, where a grant is paid by the Council, details of each individual grant will be passed to Government.

## **12.0 Recovery of amounts incorrectly paid**

- 12.1 If it is established that **any** award has been made incorrectly due to error, misrepresentation or incorrect information provided to the Council by an applicant or their representative(s) the Council will look to recover the amount in full.

## **13.0 Data Protection and use of data**

- 13.1 All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available on the Council's website.