



ARG Start-Up Grant Guidance

Overview

Utilising Additional Restrictions Grant funding allocated from Government, Hull City Council is able to provide a discretionary Start-Up Grant Scheme to aid recovery of the local economy from the Covid-19 pandemic and support business formation and growth.

Grants of up to £5000 are available for the following:

- Grants up to £2000 - an 80% grant towards eligible project/business costs
- Grants between £2001 and £5000 – may be available to businesses with higher eligible project/business costs, which also create one or more additional a new jobs (beyond owners of the new business) in 2021

It is anticipated that most start-ups that are eligible for support, will receive a grant of around £2000.

Grants will be awarded to eligible applicants who can evidence a need for finance to support their start-up business.

This scheme is prioritising businesses which have not previously received Covid 19 related business grants - SBG/RHLG/ARG/LRSG or Restart Grants.

Please note this scheme has an end date of 31st March 2022. Therefore, the closing date for applications is 31st January 2022.

Terms and conditions apply and may be subject to change at short notice, please read this document in full before applying.

Applicants will need to comply with UK Subsidy Allowance Rules – please read the attached PDF before applying.

Who can apply?

Your business must:

- Be based in the Hull City Council area – paying business rates or council tax to Hull City Council
- Have 0 to 9 employees*
- Have been newly registered with Companies House/HMRC after 11th March 2020
- Demonstrate a financial need for the grant

The scheme can support most types of start-up business.

*In exceptional cases, at the discretion of Hull City Council, larger businesses may be supported

What can the grant be used for?

The grant can be used to support start-up businesses with eligible revenue and capital based costs including:

- Creation of a business website
- Gaining accreditations
- Support with rent of premises
- Capital costs e.g. purchase of equipment or machinery
- Purchase of ICT-related items e.g. a laptop or PC
- Marketing costs
- Other legitimate business start-up costs can be considered

The grant cannot be used to support:

- Wage costs
- Paying debts
- Purchase of vehicles

Are any businesses excluded?

The following businesses are excluded from applying to this scheme:

- Businesses that are not based within the Hull City Council area
- Businesses which will not provide the main source of income to the applicant
- Businesses that have already received grant payments that equal the maximum levels of Subsidy Control/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.

How do I apply?

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.

What is expected of me?

Your business must:

- engage with a Hull City Council business advisor to develop a business plan and attend any sessions/workshops considered appropriate/relevant to the requirements of the business e.g. business planning, sales and marketing webinars if identified as a need.
- have all the necessary permissions and approvals in place for their venture i.e. any licences required, insurance etc.

What evidence is required?

- Completed application form
- Business plan & 2 years cash flow forecasts
- Bank statement (showing at least one company transaction), including date of transaction and name of business/individual
- Companies House Registration or UTR Letter from HMRC
- Date of incorporation

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 and there is no right of appeal.

Grants will be paid into the nominated business bank account.

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 must also inform you that 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 Start-Up Grant scheme with an advisor, please contact: business.support@hullcc.gov.uk