

DECISION NO:	<i>For Member Services use only</i>
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Concurrence No:	066402
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Action under delegated authority of Chief Executive	
Action under delegated authority of Director of Finance and Cabinet Member for Finance	
Action taken by Chief Executive in consultation with Cabinet Member(s)	X

Subject: Discretionary grants scheme

Signature and designation of officer(s) taking action:

	<u>09/06/20</u>		<u>08/06/2020</u>
Chief Executive	Date	Director of Finance	Date
		Head of Finance	Date

Name of Cabinet Member(s) Consulted:

I have been consulted and concur with the proposals set out below:

Cllr L Cocking

Leader of the Council
Councillor P Mason

Cabinet Member for Finance

Signature: _____ Date: 10/06/20

Signature: _____ Date: 10/06/20

Name of any member who has declared a conflict of interest in relation to this decision: _____

THIS DOCUMENT WILL BE PUBLISHED ON THE COUNCIL'S WEBSITE

The report overleaf sets out the decision to be taken, the reasons for the decision, and the details of alternative options, if any, considered and rejected.

Officer decisions are available for public inspection, both at the Borough Offices and on the Council's website. Officer decisions are kept for a period of six years at the Borough Offices and for six months on the website after the decision is made. Background papers are available for four years.

RECOMMENDED that: the criteria for the local discretionary grant scheme be approved.

Purpose

To seek approval for the discretionary grants scheme for Broxbourne.

For members information the eligibility criteria for the grants scheme is set out in Appendix A

Background

In response to the Covid-19 crisis, the government announced a number of support packages for businesses, particularly small businesses. One such package is the Local Authority Discretionary Grants Fund. Government has provided £819k of funding for this scheme and the Council has been granted some discretion on how this funding can be used to help local small businesses. However, government has set some criteria for the scheme and this is set out below:

Grants will only be paid to:

- Small and micro businesses as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006
- Businesses with relatively high ongoing fixed property-related costs
- Businesses that can demonstrate they have suffered a significant drop in income due to the Covid-19 crisis
- Businesses that occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000. **Businesses will not qualify** for a grant under this scheme if any of the following apply:
 - The business has received a grant from another support scheme including:
 - Small Business Grant Fund
 - Retail, hospitality and leisure grant
 - The business was not trading on 11 March 2020
 - The business is in administration, is insolvent, or a striking-off notice has been made

Businesses that have applied for the Coronavirus Job Retention (furlough) Scheme or the Self-Employed Income Support scheme (SEISS) **are eligible** to apply for a grant from this fund.

Grants will be paid per business, not per premises occupied, i.e. a business will receive one grant regardless of the number of locations or sites it occupies.

Proposal for the Local Discretion

There will be a two-stage process to determine eligibility and to fix the grant amounts awarded to individual businesses.

Stage 1

The stage involves applicants submitting an application form and the specified supporting information. This must be submitted by **midnight on Friday 19 June 2020**.

All applicants will need to apply for a grant via the Council's website and provide the evidence specified on the form.

Grants will only be paid to those eligible businesses, which complete and submit an application form via the website and provide the specified evidence.

Stage 2

The Council will review all applications and initially check that the business meets at least one of the four government set national criteria as listed above.

The Council will then prioritise the following:

- small businesses in shared offices or other flexible workspaces which do not have their own business rates assessment;
- small businesses with high fixed property costs
- the impact of the Covid-19 crisis on the business' net income
- small businesses which meet national and local priorities

The level of grant, if any, will then be determined according to the degree to which these priority issues are met and having regard to the total sum available.

Appeals

The Council will allocate funds, as it deems appropriate. Therefore, the decision made to award a grant and the value of that grant is final and there is no further appeals mechanism.

Financial, Legal and Risk Management Implications

The Council has received a limited amount of funding for this scheme of £819,500, which will be allocated to qualifying businesses until the funding has been fully utilised. The total value of grants paid will be limited to the level of funding awarded to the Council and the maximum grant payment will be £10,000.

Alternative Options Considered and Rejected

Alternative options considered were to open the scheme on a first come first served basis and to determine the amount given before the number of potential applicants was known.

Contribution to the Council's Objectives

Innovative Broxbourne: an effective, enabling Council
Be transparent and ensure effective scrutiny and risk management.

Conclusion

The discretionary grants scheme will support local businesses during the Covid-19 pandemic.

Contact Officer:
Melanie Miller

Ext: 5565

Date
05/06/2020

Action reported to the Cabinet on:

Appendix A

Guidance on the Local Authority Discretionary Grants Fund

Applications required by midnight on Friday 19 June 2020

Background

In response to the Covid-19 crisis, the government announced there would be support for small businesses. The Local Authority Discretionary Grants Fund is aimed at small businesses who were not eligible for the Small Business Grant Fund or the Retail, Leisure and Hospitality Fund.

The Council will make grant payments from this fund under the powers of Section 1 of the Localism Act 2011.

This guidance provides an outline of the criteria which will be used to determine eligibility for grants under the Local Authority Discretionary Grants Fund. Each application will be considered on its own merits and grants will not be paid to any businesses other than those meeting the criteria set out below.

The Council has received a limited amount of funding for this scheme of £819,500, which will be allocated to qualifying businesses until the funding has been fully utilised.

Qualifying Criteria for Local Authority Discretionary Grant Funding

Government has set national criteria which must apply to all grants made from this fund. In accordance with this, grants will only be paid to:

- Small and micro businesses as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006
- Businesses with relatively high ongoing fixed property-related costs
- Businesses that can demonstrate they have suffered a significant drop in income due to the Covid-19 crisis
- Businesses that occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000.

Businesses **will not qualify** for a grant under this scheme if any of the following apply:

- The business has received a grant from another support scheme including:
 - Small Business Grant Fund
 - Retail, Hospitality and Leisure Grant
- The business was not trading on 11 March 2020
- The business is in administration, is insolvent, or a striking-off notice has been made.

Businesses that have applied for the Coronavirus Job Retention (furlough) Scheme or the Self-Employed Income Support scheme (SEISS) **are eligible** to apply for a grant from this fund.

Grants will be paid per business, not per premises occupied i.e. a business will receive one grant regardless of the number of locations or sites it occupies.

Level of Grant

The total value of grants paid will be limited to the level of funding awarded to the Council and the maximum grant payment will be £10,000.

Applying for a Grant

There will be a two stage process.

Stage 1

The stage involves applicants submitting an application form and the specified supporting information. This must be submitted by **midnight on Friday 19 June 2020**.

To be considered for a grant businesses will need to apply via the Council's website at www.broxbourne.gov.uk/business/discretionary-grants-fund-scheme/1 and provide the evidence specified on the form.

Grants will only be paid to those businesses which complete and submit an application form via the website and provide the specified evidence.

Stage 2

The Council will review all applications and initially check that the business meets at least one of the four government set national criteria as listed above.

The grant payments will be linked to the business' fixed property costs and the impact on the business' net income of the Covid-19 crisis. In the event that the number of applications received results in the potential value of grant payments exceeding the funding available, the Council will then prioritise the following:

- small businesses in shared offices or other flexible workspaces which do not have their own business rates assessment;
- small businesses with high fixed property costs
- the impact of the Covid-19 crisis on the business' net income
- small businesses which meet national and local priorities

The level of grant, if any, will then be determined according to the degree to which these priority issues are met and having regard to the total sum available.

Grant payments will be made via BACS using the account details provided on the application form, which must match the bank statements provided as supporting evidence. Payments will only be made into the business' bank account.

The application process will close at **midnight on Friday 19 June 2020**. Applicants will be notified as soon as possible whether they will receive a grant.

Appeals

The Council will allocate funds as it deems appropriate. Therefore, the decision made to award a grant and the value of that grant is final and there is no further appeals mechanism.