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Members of the Executive

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cc. All other recipients of the
Executive agenda

Date: 27 May 2020

Dear Councillor

EXECUTIVE - 2 JUNE 2020

Please find attached the following reports which were marked “to follow” on the agenda for the above meeting:

9. Noting the decision of the Chief Executive to approve a scheme for the Local Authority Discretionary Grant Fund taken under urgency provisions (to follow) (Pages 3 - 28)

Please download this supplementary agenda in addition to the main agenda, before the meeting next Tuesday.

Yours faithfully

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MEETING : EXECUTIVE
VENUE : VIRTUAL MEETING - VIRTUAL MEETING
DATE : TUESDAY 2 JUNE 2020
TIME : 7.00 PM

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East Herts Council Report

Executive

Date of Meeting: 2 June 2020

Report by: Geoff Williamson. Executive Member for Financial sustainability

Report title: Noting the decision of the Chief Executive to approve a scheme for the Local Authority Discretionary Grant Fund under urgency provisions

Ward(s) affected: All

Summary

- To note a decision taken by the Chief Executive, in consultation with the Leader, on 26 May 2020 to approve the Local Authority Discretionary Grant funding scheme under the urgency provisions contained at Part 3C paragraph 9.2(g) of the Constitution

RECOMMENDATIONS FOR EXECUTIVE:

- (a) That the decision to approve the scheme, taken by the Chief Executive in consultation with the Leader, is noted.
- (b) That delegated authority is granted to the Head of Revenues & Benefit Service, in consultation with the Executive Member for Financial Sustainability, to revise the scheme if all the available funds are not allocated under the proposed scheme criteria.

1.0 Proposal(s)

- 1.1 In accordance with the Government's response to Covid – 19 supports for Business, the local authority is required to determine a scheme to allocate the funding made available under the discretionary grant fund.

2.0 Background

- 2.1 In response to the Coronavirus, the Government announced

support for small business, and business in the retail, hospitality and leisure sectors, delivered through the Small Business Grant fund and the Retail, Leisure and Hospitality Grant fund. These schemes were specified by Government.

- 2.2 They subsequently announced that additional funding would be given to Local Authorities to support small businesses that were not eligible for the Small Business Grant Fund, or the Retail, Leisure and Hospitality Fund. This scheme contains some discretion which local authorities can determine.
- 2.3 This report is to note the decision taken by the Chief Executive to approve the scheme under the urgency provisions contained at Part 3C paragraph 9.2 (g) of the constitution.
- 2.4 Part 3C Paragraph 9.2(g) states:

in cases of urgency [the Chief Executive can] take any decision which could be taken by the Council, the Executive or a Committee in consultation with the Leader, provided that any such decision shall be reported to the next meeting of the Executive, appropriate Committee or Council

3.0 Reasons

- 3.1 The government has announced a Discretionary Business Grant Fund to be targeted at small businesses that have high fixed property related costs but are not eligible for the current Small Business Grant Fund or Extended Retail Relief Grant Fund.
- 3.2 East Herts District Council has been awarded £1.57m to distribute to eligible businesses. The government has set some national criteria which the Council must follow in terms of which businesses it can support but has been given limited discretion to determine which businesses to support within those criteria. In determining this policy, the Council has sought to balance the amount of overall money it has received to distribute, with the number of businesses it can support. For the avoidance of doubt, the council does not have the discretion to assist businesses that fall outside the national criteria.

3.3 National Criteria

The government has set the following criteria that a business must meet in order to be eligible to apply (not necessarily be granted) for the Discretionary Business Grant Fund:

- Must be a Small or 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 which can demonstrate that they have suffered a significant fall in income due to the COVID-19 crisis.
- Businesses which occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000 (where a rateable value exists this will be the figure used).
- The business must have been trading on the 11th March 2020.
- The business must not have been eligible or received a grant from the existing grant scheme or other support schemes

3.4 Under the Companies Act 2006, a **Small business** must satisfy two or more of the following requirements in a year:

- Turnover: Not more than £10.2 million
- Balance sheet total: Not more than £5.1 million
- Number of employees: a staff headcount of less than 50.

3.5 Under the Companies Act 2006, a Micro business must satisfy two or more of the following requirements:

- Turnover: Not more than £632,000;
- Balance sheet total: Not more than £316,000;
- Number of employees: a staff headcount of not more than 10

3.6 The government criteria can be seen in full here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/885011/local-authority-discretionary-grants-fund-guidance-local-government.pdf

3.7 Eligibility: This grant funding is for businesses that are not eligible for other support schemes. Businesses which are eligible for grants from any central government COVID-related scheme are ineligible for funding from the Discretionary Business Grants Fund. Such grant schemes include but are not limited to:

- Small Business Grant Fund
- Retail, Hospitality and Leisure Grant
- The Fisheries Response Fund
- Domestic Seafood Supply Scheme (DSSS)
- The Zoos Support Fund
- The Dairy Hardship Fund.

3.8. Businesses who have applied for the Coronavirus Job Retention Scheme **are** eligible to apply for this scheme.

3.9. Companies that are in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.

3.10 Priority Businesses

In addition to the national criteria above the government has also asked us to prioritise the following types of business.

- Small businesses in shared offices or other flexible workspaces. Examples could include units in industrial parks, science parks and incubators which do not have their own business rates assessment;
- Regular market traders with fixed building costs, such as rent, who do not have their own business rates assessment;
- Bed & Breakfasts which pay Council Tax instead of business rates;
- Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief, and are not eligible for a grant through the Expanded Retail Discount Relief scheme.

3.11. Government has made it clear that this list is not exhaustive but is intended to guide local authorities and that the Council has the discretion to issue grants to businesses not covered by the above

list but that we **do not** have discretion to help businesses that don't meet all of the national criteria.

3.12 Guiding Principles

It is recognised by Government that each local authority area will have its own specific economic make up and that need will be different in each area. The council anticipates that the demand for the discretionary grants will be greater than the amount of money we have received from government and as such it is important that we clearly set out the principals that will guide the council in determining which businesses it is able to help and which it will not.

3.13. The goal is to try and support as many businesses as possible with the money received from government while keeping the individual grant amounts high enough that they will provide meaningful support to those businesses.

3.14. In addition to the criteria set out by government above, the council recognises through its experience in administering the current grants scheme and through its knowledge of the local economy that certain business types that are particularly prevalent have not been eligible for support under the existing grant schemes. As such the discretionary scheme should enable these to be included under the core definitions. These are as follows:

- Small **manufacturing** businesses with an RV of £51,000 or below and not eligible for Small Business Rate Relief or Expanded Retail Discount Relief.
- Local wholesalers and **supply chain/services** businesses whereby the majority of their business relates to the hospitality or leisure sector, with a Rateable Value of under £51,000.

3.15 The government permit us to award grants of £25,000, £10,000 or any amount less than £10,000. To try and support more businesses across the district, East Herts Council has capped grants up to £10,000. It is anticipated that most grants will be for less than £10,000 due to the numbers likely to apply.

3.16 The following are areas which are proposed to localise the scheme.

- (i) That the grants are one per business and not per property.

- (ii) That B & B businesses must have professional B & B building insurance and be registered with the Council. This will exclude Airbnb or other informal arrangements.
- (iii) How much a business receives will depend on their specific circumstances. The main factor considered in the determination of the grant payable will be ongoing property related costs, and numbers of employees. A proposed weighting of 75% for fixed costs and 25% for employed staff is included to enable differentials to be made between applicants
- (iv) Applicants are also invited to provide 500 words of additional information to support their application to ensure that they can express any particular challenge or contribution to the community.
- (v) The Governments original grant schemes excluded the following types of business, and it is proposed to continue with this exclusion;
 - Financial services (e.g. banks, building societies, cash points, bureaux de change, short- term loan providers)
 - Professional services (e.g., solicitors, accountants, insurance agents/financial advisers)
 - Post office sorting offices
- (vi) The Governments original grant schemes excluded the following types of business, and it is proposed to allow these businesses, if they meet all other criteria to apply.
 - Medical services (e.g. Vets, dentists, doctors, osteopaths, chiropractors)

3.17 Application process

It is not possible for the Council to quantify how many businesses in our area will potentially meet the criteria set out in the report. The reason for this is that the council does not hold enough data on how many businesses may fall into these categories. Consequently rather than a first come first served basis, which may lead to some businesses with greater need missing out on a grant because the money allocated by government becomes fully committed, the proposed scheme provides a window of 14 days for applications to be received as it is important that the money is allocated on the basis of need rather than to those quickest to make an application.

- 3.18 Once the 14 day window has expired the Council will review the applications against the criteria set out above. If after granting to all eligible business funding remains, a review of the criteria will be made.
- 3.19 It is proposed that any review of the criteria needed to be undertaken is carried out by the Head of Service for Revenues & Benefits in conjunction with the Executive Member for Financial sustainability
- 3.20 As this is a discretionary scheme there is no right to appeal and the decision of the Council is final. However it is proposed to offer a review of a decision to reject an application to be considered by two Heads of service outside of the Revenues service
- 3.21 This scheme is not intended to cover all businesses that have not been included in the initial government grant scheme. There are other avenues of support that businesses have available through the other government schemes.
- 3.22 The Council has created an online form for applications; this is the only mechanism through which the Council will accept applications.
- 3.23 Once the 14 day window has closed, the Council will seek to reach a decision within 10 working days.

4.0 Options

- 4.1 The draft scheme was discussed informally with Executive members on 19 May 2020 to identify any alternatives to the proposal, and there were none identified.
- 4.2 Various alternatives could be explored but the time delay incurred is considered detrimental to the objective of giving financial support to businesses in need. Consequently very little variation from the Governments core scheme is proposed.

5.0 Risks

- 5.1 Having determined the scheme as above, and acknowledged that not all businesses can be supported, some businesses will feel

aggrieved,

- 5.2 Whilst the scheme cannot be appeal against as it is discretionary, a judicial review can be requested if the process agreed is not applied correctly.

6.0 Implications/Consultations

6.1

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

Finance had been consulted and fully support the proposal.

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

No

Specific Wards

No

7.0 Background papers, appendices and other relevant material

- 7.1 Grant funding Scheme – guidance from the Department for Business, Energy & Industrial Strategy
- 7.2 Appendix A – East Herts Discretionary Business Grant Policy
- 7.3 Appendix B – decision record of decision taken by Chief Executive in consultation with the Leader, dated 26 May 2020.

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East Herts District Council

Discretionary Business Grant Scheme

2020/21

Version Control

Version	Version date	Revised by	Description
1	May 2020	DA	Scheme
2	May 2020	DA	Amendments ST
3	May 2020	DA	Amendments ST

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1.0 Purpose of the scheme

- 1.1 The purpose of this document is to determine eligibility for a payment under the Council's Discretionary Business Grants Scheme.
- 1.2 The new Discretionary Business Grant Scheme has been developed in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 1st May 2020 which sets out circumstances whereby a grant payment **may** be made by the Council to a business who has not previously qualified for a direct business grant and is suffering a significant fall in income due to the COVID-19 crisis.
- 1.3 Whilst the awarding of grants will be at the total discretion of the Council, the Department for Business, Energy & Industrial Strategy (BEIS) has set down criteria which **must** be met by each business making an application for a discretionary grant. The Department has also indicated the types of business which should be given priority in all cases.
- 1.4 This document sets out the criteria which BEIS have provided to the Council to determine eligibility for the Discretionary Business Grant. It also outlines the approach the Council will take in determining whether an award should be paid or not.

2.0 Funding

- 2.1 Central Government has provided the Council with a sum of approximately £1.57m, which represents 5% of the original allocation for the Direct Business Grants. The funding level is finite and therefore the Council, although keen to ensure that grants are given to the maximum number of businesses, is conscious that its expenditure cannot exceed that amount.
- 2.2 The Council will limit the total awards to the level of funding available from Central Government.

3.0 Eligibility criteria of the fund

- 3.1 Central Government, whilst wanting Councils to exercise their local knowledge and discretion, have set national criteria for the funds. In all cases, the Council will only consider businesses for Discretionary Business Grant where **all** of the criteria are met.
- 3.2 Any business failing to meet the criteria or failing to provide the Council with sufficient information to determine whether they meet the criteria, will not be awarded a Discretionary Business Grant.
- 3.3 Government has stated that the intention of the scheme is to provide assistance to businesses that meet the following criteria:
 - 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 which can demonstrate that they have suffered a significant fall in income due to the COVID-19 crisis;
- Businesses which occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000; and
- Businesses must have been trading on 11th March 2020.

3.4 In addition, businesses which are **eligible** for any of the following are **ineligible for any Discretionary Business Grant**:

- Small Business Grant Fund;
- Retail, Hospitality and Leisure Grant;
- The Fisheries Response Fund;
- Domestic Seafood Supply Scheme (DSSS);
- The Zoos Support Fund;
- The Dairy Hardship Fund;

4.0 Definitions - Eligibility Criteria

4.1 For the sake of clarity the following definitions are provided in respect of the criteria set out in paragraphs 3.3 and 3.4:

- **Small Businesses under the Companies Act 2006** must meet two of the following requirements in a year:
 - Turnover must not be more than £10.2 million per annum;
 - The Balance sheet total should not be more than £5.1 million; and
 - The number of employees should be less than 50.
- **Micro Businesses under the Companies Act 2006** must meet two of the following requirements in a year:
 - Turnover must not be more than £632,000 per annum
 - The Balance sheet total should not be more than £316,000; and
 - The number of employees should be less than 10.
- **Businesses must have relatively high ongoing fixed building-related costs** – for the purpose of this scheme, the Council determines fixed building-related costs to be:
 - Payments of mortgage, lease, rent or licence for business premises and **not** domestic premises (apart from the exception of Bed and Breakfast premises as defined in part 6 of this scheme);
 - The payments must represent a high proportion of expenses in relation to the overall income of the business; and
 - The payments are unavoidable and are ongoing.

The Council has determined that each business will have to certify that they have high on-going fixed building- related costs. The Council may require the business to provide evidence of liabilities including mortgage, lease, tenancy, service charges or licence documentation.

- **Businesses must demonstrate that they have suffered a significant fall in income due to the COVID-19 crisis** – the Council has determined that businesses certify that there has been a significant fall in gross income for the period April and May 2020 compared with the same months in 2019.
The Council must be sure that the fall in gross income is due to the COVID-19 crisis and not a general failure of business. Where necessary businesses may need to provide evidence to the Council to support their application;
- **Businesses must be trading on 11th March 2020** – the Council will require proof that the business was trading on 11th March 2020 and was not dormant, subject to a winding up order, in administration or subject to striking off;
- **Eligible to a grant under the Small Business Grant Scheme or the Retail Hospitality or Leisure Scheme¹** – where the business is either eligible to receive or has received a grant under either of the two schemes administered by the Council, no Discretionary Business Grant shall be awarded;
- **Eligible to assistance under the Fisheries Response Fund** – as administered by the Marine Management Organisation (MMO) and funded by HM Treasury and the Department for Environment, Food and Rural Affairs. Where the business or person is eligible to assistance under this fund, no Discretionary Business Grant shall be awarded;
- **Eligible to assistance under the Domestic Seafood Supply Scheme (DSSS)** as administered by the Marine Management Organisation (MMO) and funded by HM Treasury and the Maritime and Fisheries Fund. Where the business or person is eligible to assistance under this fund, no Discretionary Business Grant shall be awarded;
- **Eligible to assistance under the Zoos Support Fund** as administered by the Department for Environment, Food and Rural Affairs. Where the business or person is eligible to assistance under this fund, no Discretionary Business Grant shall be awarded;
- **Eligible to assistance under the Dairy Hardship Fund** as administered by the Department for Environment, Food and Rural Affairs. Where the business or person is eligible to assistance under this fund, no Discretionary Business Grant shall be awarded;
- **Businesses which occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000** – The Council has decided that this shall be a key determinant of priority under the scheme and, as such, where businesses have rateable values of £51,000 or more or make payments of mortgage, lease, rent or licence of £51,000 or more per annum, no Discretionary Business Grant shall be awarded. For the avoidance of doubt, the Council has decided that in calculating the figure of £51,000, **all** buildings occupied by the business (or the responsibility of the business) shall be taken into account.

4.2 Where business premises should have been subject to Non-Domestic Rates and shown in the Rating List on 11th March 2020 but, were not, no Discretionary Business Grant shall be awarded.

¹ **Eligibility Criteria for either the Small Business Grant or Retail Hospitality and Leisure Grant** as determined by the Department for Business, Energy & Industrial Strategy and administered by the Council;

5.0 National Priority Businesses

5.1 Government are asking Councils to prioritise the following types of businesses for grants from within this discretionary fund:

- (a) **Small businesses in shared offices or other flexible workspaces** e.g. industrial parks, science parks, incubators etc., which do not have their own business rates assessment;
- (b) **Regular market traders who do not have their own business rates assessment;**
- (c) **Bed and Breakfast premises which pay Council Tax instead of business rates;** and
- (d) **Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.**

5.2 The list set out above is not intended to be exhaustive, but it is intended to guide Councils as to the types of uses that the Government considers should be a priority for the scheme. The Council will decide whether particular situations not listed are broadly similar in nature to those above and, if so, whether they may be eligible for grants from this discretionary fund.

6.0 Definitions - National Priority Businesses

6.1 In line with Government's priorities for the fund, the following definitions have been used to determine whether any particular business should be treated as a priority for the funding:

Small businesses in shared offices or other flexible workspaces which do not have their own business rates assessment

6.2 These are defined by the Council as businesses which do not have to a separate assessment for Non-Domestic Rating (i.e. those businesses who do not occupy a separate hereditament within the 2017 Rating List) and who, on the 11th March 2020 were trading and shared the premises with other businesses.

6.3 Primarily, these businesses will not be assessed individually for Non-Domestic Rating on the basis that the landlord has paramount occupation of the premises.

Regular market traders who do not have their own business rates assessment

6.4 As with the other priority businesses for this fund, these will be businesses who do not have a separate assessment for Non-Domestic Rating (i.e. those businesses who do not occupy a separate hereditament within the 2017 Rating List).

6.5 The Council has decided that for the purpose of this scheme, market traders shall be defined as: "a business or person who sells goods wholly or mainly to visiting members of the public from a stall, pitch or similar, from a place or market recognised by the Council as a market".

- 6.6 All market traders must prove to the Council that as at 11th March 2020, they had a regular pitch or stall within the Council's area from which they sold goods to visiting members of the public.
- 6.7 For the purposes of this scheme, 'regular' is defined as at least weekly. Where the market trader traded less frequently, the Council will not consider the business as priority for a grant.
- 6.8 Where a market trader operates in more than one local authority area, the applicant will need to certify that they trade primarily in the Council's area or have fixed business premises within the Council's area. Where a grant is claimed from another authority, no grant will be awarded by the Council.

Bed and Breakfast premises which pay Council Tax instead of business rates

- 6.9 For the purpose of this scheme, these businesses are those who do not occupy a separate hereditament within the 2017 Rating List and who the Valuation Office Agency would deem to fall within the Council Tax Valuation List.
- 6.10 For the avoidance of doubt, the Council will consider this as a priority business if:
- (a) the Bed and Breakfast property is domestic and therefore subject to council tax rather than business rates;
 - (b) It provides short stay accommodation for no more than six persons at any one time within the past year;
 - (c) The property is the sole or main residence of the proprietor(s) and the bed and breakfast use is subsidiary to the private use; and
 - (d) The business was trading on 11th March 2020.
- 6.11 In determining subsidiary use the Council shall take into account:
- Whether the majority of the premises is being used for business purposes: and
 - If the premises have been adapted to alter the character of the property beyond that of a private house.
- 6.12 Where the Council has determined that the Bed and Breakfast premises should have been subject to Non-Domestic Rating, the business shall not be considered as a priority for a Discretionary Business Grant.
- 6.13 The Council has determined that any premises where it considers that the Bed and Breakfast business is basically 'home sharing' will not take priority for the fund.

Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief

- 6.14 In certain cases, where a charity was in receipt of mandatory relief under Section 43 of the Local Government Finance Act 1988, it would not have been entitled to either Small Business Rates Relief or Rural Rate Relief. As such it would not have been able to receive a grant under the Small Business Grant Fund.
- 6.15 The Council will give priority to charities who, were it not for the receipt of mandatory relief, would have met the qualifying criteria for the Small Business Grants (see the Council's policy for Direct Business Grants).

It should be noted that this only relates to premises that would, but for the receipt of mandatory rate relief, have received a percentage reduction under the Small Business Rates Criteria. In the main this will be premises with a Rateable Value of £15,000 or less and where the ratepayer occupies only one premises (excluding any premises which would be disregarded under the Small Business Rates Relief scheme).

- 6.16 The Council has decided that, as part of this scheme, businesses providing financial services, professional services or post office sorting offices will not be eligible for a Discretionary Business Grant

7.0 Local Fund Priorities

- 7.1 In addition to the national fund priorities, the Council has decided that it will accept applications from all local businesses meeting the criteria although It should be noted that, as the grant fund is limited, the Council will look to award businesses who meet the national priorities first and any residual funds awarded to businesses who meet the local priorities.

- 7.3 In all cases, the business **must** meet the eligibility criteria stated in sections 3 and 4.

8.0 How will grants be provided to businesses?

- 8.1 The Council is fully aware of the importance of these grants to assist businesses and support the local community and economy. These Discretionary Business Grant scheme will offer a lifeline to businesses who are struggling to survive due to the COVID-19 crisis.

- 8.2 In all cases, a simple application form **is** required, and this can be completed on-line at the Council's website:

<https://www.eastherts.gov.uk/coronavirus/coronavirus-and-businesses-0/discretionary-grant-scheme-2020/discretionary-grant-online-form>

Supplementary information may also be required, and all businesses should look to provide this, where requested to the Council as soon as possible.

- 8.3 An application for a Discretionary Business Grant is deemed to have been made when a duly completed application form is received via the Council's online procedure.

9.0 How much grant will be payable

- 9.1 Central Government has determined that there shall be a 'cap' on grants of £25,000 per business and that the next level of grant shall be £10,000. However, the Council under Central Government guidance, has the following discretion:

- (a) Whether to award grants at the £25,000 or £10,000 level; and
- (b) To determine whether grants of less than £10,000 should be awarded.

- 9.2 The Council has decided that, for the purposes of this scheme, the amount of grant shall be capped at £10,000 and each application will be considered on a case by case basis.
- 9.3 Only one Discretionary Business Grant will be awarded to any business. This will also apply if more than one Limited Company has the same director (s) or where more than one business has the same proprietor (either sole traders or partnerships).

10.0 Limitation of funds and applications

- 10.1 All monies paid through the Discretionary Business Grant scheme will be funded by Central Government and paid to the Council under S31 of the Local Government Act 2003. However, as mentioned in paragraph 2, the funds are limited and, as such, the Council is not able to award a grant where funds are no longer available.
- 10.2 In order to fairly administer the scheme, the Council has decided that awards will be determined as follows:
- (a) There will be a two-week period during which applications can be made. This will be between 27th May 2020 to Midnight 9th June 2020;
 - (b) Any businesses wishing to claim should complete the necessary form on the Council's website as shown in paragraph 8.2. This will also include the provision of such evidence as required by the Council;
 - (c) All claims will be made online;
 - (d) Once the application period is closed, all awards will be considered against the criteria laid down within this scheme, as soon as practicable;
 - (e) Depending on the number of applications and the amount left in the grant fund, the Council reserves the right to provide other application periods if appropriate

11.0 EU State Aid requirements

- 11.1 Any Discretionary Business Grant is given as aid under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020. This means that businesses receiving support under these provisions can receive up to €800,000 in aid over three years (being the current and the previous two years).
- 11.2 Any grant awarded is required to comply with the EU law on State Aid.² This will involve the applicant declaring to the Council if they have received any other de minimis State aid or aid provided under the EU Commission Covid-19 Temporary Framework.
- 11.3 If the applicant has not received any other de minimis State aid, they are not required to make that declaration to the Council or to complete any declaration statement.

12.0 Scheme of delegation

- 12.1 The Chief Executive in line with the emergency powers has approved this scheme on behalf of the Council.
- 12.2 Officers of the Council will administer the scheme and the Head of Revenues and Benefits Shared Service is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with Central Government guidance.

13.0 Notification of decisions

- 13.1 Applications will be considered by the Revenues and Benefits Shared Service of the Council and all decisions made by shall be notified to the applicant either in writing or by email.
- 13.2 A decision shall be made as soon as practicable after the closure of the application period.

14.0 Reviews of decisions

- 14.1 The Council will operate an internal review process and will accept an applicant's request for an appeal of its decision.
- 14.2 All such requests must be made in writing to the Council, within 14 days of the Council's decision, and should state the reasons why the applicant is aggrieved with the decision of the Council. New information may be submitted at this stage to support the applicant's appeal.
- 14.3 The application will be reconsidered independently by Heads of Service not connected with the Revenues and Benefits Shared Service.
- 14.4 The reconsideration shall be undertaken as soon as practicable and the applicant informed of the outcome in writing or by email.

15.0 Complaints

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

16.0 Other grant conditions

- 16.1 **Tax** - The Council has been informed by Treasury that all grants are taxable. Applicants should make their own enquiries to establish any tax position or liability.

- 16.2 **Special Cases** - The Council recognises that there will be occasions when a business does not satisfy the above criteria. The criteria are not restrictive and nothing in them shall be taken as restricting the Council's ability to depart from its general policy as to the award of grants if it sees fit to do so bearing in mind the facts of the case.

17.0 Managing the risk of fraud

- 17.1 Neither the Council, nor the Government will accept deliberate manipulation of the scheme and 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.
- 17.2 Applicants should note that, where a grant is paid by the Council, details of each individual grant may be passed to Government.
- 17.3 The Council reserves the right to reclaim any grant paid in error.

EAST HERTS COUNCIL

**OPENNESS OF LOCAL GOVERNMENT BODIES REGULATIONS
2014
OFFICER DECISION WRITTEN RECORD**

Reference:	OD/2026
Subject Matter:	Approval of scheme for the Local Authority Discretionary Grant Fund under urgency provisions
Date of Decision:	26 May 2020
Exempt /Confidential information (Yes / No):	No
If Exempt/Confidential – reason why:	N/a
Name of Officer taking decision under delegated authority:	Richard Cassidy, Chief Executive
Source of delegated authority:	Constitution Part 3c, para 9(g) <i>in cases of urgency take any decision which could be taken by the Council, the Executive or a Committee in consultation with the Leader, provided that any such decision shall be reported to the next meeting of the Executive, appropriate Committee or Council</i>
Exercise of delegated authority approved by: <i>(if different from Officer taking decision)</i>	Not applicable

Decision:	Having consulted with the Leader of the Council, to approve a Local Authority Discretionary Grant funding scheme
Reason(s) for Decision:	In accordance with the Government's response to Covid – 19 supports for Business, the local authority is required to determine a scheme to allocate the funding made available under the discretionary grant fund.
Details of alternative options, if any, considered and rejected:	Various alternatives could be explored but the time delay incurred is considered detrimental to the objective of giving financial support to businesses in need. Consequently very little variation from the Government core scheme is proposed
Name of Officer who has confirmed with all Members involved in taking this decision whether they have a pecuniary or non-pecuniary interest:	Su Tarran
Name(s) of any Member who has removed himself/herself from contributing to this decision because of a conflict of interest:	None

Signature of Decision Maker:	
Signature of Executive Member consulted by Decision Maker:	

Signatures are redacted

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