

# Second COVID Discretionary Business Grant Programme

## Policy and Guidance – November 2020

#### Introduction

- 1. This policy and guidance sets out the national context, local criteria and information required for those businesses intending to apply to the Council's Second COVID Discretionary Business Grants Programme.
- 2. This programme is aligned with the Government's <u>Additional Restrictions</u> <u>Grant guidance</u> issued to local authorities at the beginning of November 2020.

#### Scope and eligibility

- 3. Discretionary Grants awarded by the Council will predominantly support the following:
- 3.1 Businesses, which as a result of the national lockdown commencing on the 5 November 2020, have been required to <u>close by law</u>, but who do not qualify for a Local Restriction Support Grant (see <u>Business Grants section of Council website</u> for further information and how to apply). This will focus on businesses who fall outside of the Business Rates system, such as those who operate within shared accommodation and who do not have their own Business Rates assessment.
- 3.2 Businesses which, while not legally required to close, can demonstrate that they are severely impacted by the national lockdown or local restrictions since the 1 August 2020. This could include for example businesses which operate within or supply to the retail, hospitality, and leisure sectors, businesses in the events sector, or businesses which have been severely impacted by the wider economic downturn.
- 4. Eligible businesses applying to the Council's Discretionary Business Grant Programme must be able to evidence that the business was trading on the 17 October 2020.
- 5. Companies that are in administration, insolvent or where a striking-off notice has been issued against it are not eligible to apply for this grant.

### **Council Approach**

6. The Council expects local business demand for grant support from this programme to outstrip the funding made available by Government. To help manage and assess the overall level of business demand for grant support,



the Council will establish an initial window for applications.

- 7. As a minimum, the Council's Discretionary Business Support Programme will be open for applications, via the Council's website, from 16 November and close on midnight 2 December 2020.
- 8. Grant applications must be made online via the Business Grants section of the <u>Council's website</u>.
- 9. Approved payments will be made to business accounts by BACS transfer.
- 10. A further call for applications will be announced by the Council, subject to business demand and available funding support for this Programme.

#### **Grant Values**

- 11. Eligible businesses which do not have a Business Rates assessment and have been mandated to close as a result of the national lockdown period 5 November to 2 December 2020, will receive a grant payment of either £1,334, £2,000 or £3,000, in-line with the Government's guidance to local authorities. The grant amount will be primarily determined by the level of fixed property costs. Further payments may be made subject to available funds and any changes to national or local restrictions.
- 12. Eligible businesses which are still open but can demonstrate that they have been severely impacted by the national lockdown will receive a grant payment of either £934, £1,400 or £2,100, in-line with the Government's guidance to local authorities. The grant amount will be primarily determined by the level of fixed property costs.
- 13. Additional discretionary payments may be made to either close or open businesses, in-line with the amounts detailed above, subject to available funds and any changes to national or local restrictions. Businesses which are assessed to have been most impacted by continued local COVID restrictions since the 1 August 2020, particularly those settings which were prevented from re-opening once the first national lockdown had ended, will be prioritised for additional support.
- 14. Only in exceptional circumstances will consideration be given to grant funding requests outside of the parameters set out in this guidance, subject to business case. The Council also reserves the right to vary the terms of the programme at any time, and without notice, should it be necessary to do so.



#### **State Aid and Other Matters**

- 15. There is a requirement for all grants made under this programme to be State Aid compliant.
- 16. Grant income received by a business is taxable therefore funding paid under this Programme will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.
- 17. The Council and Government will not accept any deliberate manipulation or 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.
- 18. The final part of the application form is the personal declaration. At the start of the application process, businesses who are applying for a discretionary grant will be required to declare that they have read and understood the Guidance document. The declaration will confirm that they agree to abide with other obligations, including those set out at 17 above.
- 19. The Council does not accept any liability for any issues that may arise for businesses because of applying for, receiving, or not receiving grant payments under this Programme.
- 20. Any grants awarded are discretionary and the Council's decision will be final.
- 21. Enquiries about this programme can be emailed to <u>businessgrowth@blackburn.gov.uk</u>