



**West Devon
Borough
Council**

West Devon Borough Council Discretionary Business Grant Scheme Tranche 4 2020/21

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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 This document sets out the criteria for the final tranche (Tranche 4) of the scheme. This final tranche has been developed in response to a Government announcement on 4th August from the Department of Business, Energy and Industrial Strategy (BEIS) which stated that Town and Parish councils are also eligible for Discretionary Grant Funds if they meet all the scheme criteria.
- 1.4 This scheme is in addition to the previous policy which covered tranches 1, 2 and 3 and which applied more widely to both national and locally set priority businesses.

2.0 Funding

- 2.1 Central Government has provided the Council with a sum of £870,500 which represented 5% of the projected 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 for Tranche 4 only.

- 3.1 Paragraph 3.2 outlines the criteria that will need to be met in respect of **all** Tranche 4 applications. 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.
- 3.2 Assistance *may* be given to businesses that meet the following criteria:
 - Businesses that have been provided by Town Council and Parish Councils (as defined by the Local Government Finance Act 1988);
 - Businesses with relatively high ongoing fixed property-related costs;
 - Businesses which can demonstrate that they have suffered a fall in income due to the COVID-19 crisis; and
 - Businesses must have been trading on 11th March 2020.

3.3 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 (Tranche 4 only)

4.1 For the sake of clarity the following definitions are provided in respect of the criteria set out in paragraphs 3.2 and 3.3:

- **Businesses that have been provided by Town Councils as defined by the Local Government Act 1972**
 - This current tranche, (Tranche 4) has been designed for all businesses which are the responsibility and run by either a Town or Parish Council as defined within Part 1 of the Local Government Act 1972;
 - Grants will only be paid in respect of premises which are occupied **not** unoccupied.
- **Businesses must have relatively high ongoing fixed premises related costs** – for the purpose of this scheme, the Council determines fixed premises-related costs to be;
 - Payments of mortgage, lease, rent or licence for business premises or mooring charges and fees;
 - 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.
- **Businesses must demonstrate that they have suffered a fall in income due to the COVID-19 crisis** – the Council has determined that applicants certify that there has been a fall in income due to the COVID-19 crisis and not a general failure of business;
- **Businesses must be trading on 11th March 2020** – the Council will require the business to certify that the it 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;

5.0 How will grants be provided to businesses?

- 5.1 The Council is fully aware of the importance of grants to assist businesses and support the local community and economy.
- 5.2 In all cases, a simple application form **is** required, and this can be completed on-line at the Council's website:
<https://westdevon.gov.uk/discretionarygrants>
 Supplementary information may be required.
- 5.3 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.

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;

6.0 How much grant will be payable

- 6.1 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.
- 6.2 Only **one** Discretionary Business Grant will be awarded per Town Council or Parish Council and the Council will determine the amount of the grant awarded for each on a case by case basis taking into account the following factors:
- the fall in business income due to the COVID-19 crisis;
 - the amount of fixed on-going premises costs; and
 - the number of employees.
- 6.3 In deciding the level of grant, the Council will look at all the businesses affected which are run by individual Town or Parish Councils and will consider the cumulative effect of the crisis.

7.0 Limitation of funds and applications

- 7.1 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.
- 7.2 All applications must be made online by midnight 28th August 2020 in line with Central Government guidelines. No applications will be accepted after this date.
- 7.3 Claims are available on the Council's website as shown in paragraph 5.2. All claims will be made online and this will also include the provision of such evidence as required by the Council.
- 7.4 As there is potentially insufficient funds available for all grant applicants, not all applicants will be successful, and some businesses will be left disappointed.

8.0 EU State Aid requirements

- 8.1 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).

- 8.2 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.
- 8.3 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.

9.0 Scheme of delegation

- 9.1 The policy has been approved under Part 3(a) of the Council Constitution: Scheme of Delegation. The Head of Paid Service used delegated authority in consultation with the Leader and Deputy Leader of the Council.
- 9.2 Officers of the Council will administer the scheme and the Corporate Director for Strategic Finance and the Director – Place and Enterprise are authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with Central Government guidance.

10.0 Notification of decisions

- 10.1 The policy has been approved under Part 3(a) of the Council Constitution: Scheme of Delegation. The Head of Paid Service used delegated authority in consultation with the Leader and Deputy Leader of the Council.
- 10.2 Officers of the Council will administer the scheme and the Corporate Director for Strategic Finance and the Director – Place and Enterprise are authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with Central Government guidance.

11.0 Reviews of decisions

- 11.1 All grants will be approved by the S151 Officer, Director of Place and Enterprise and Head of Customer Improvement. This decision will be final and there will be no appeal process.

12.0 Complaints

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

13.0 Other scheme conditions

- 13.1 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.

14.0 Managing the risk of fraud

- 14.1 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.
- 14.2 Applicants should note that, where a grant is paid by the Council, details of each individual grant may be passed to Government.
- 14.3 The Council reserves the right to reclaim any grant paid in error.

15.0 Data Protection

- 15.1 All information and data provided by businesses shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available on the Council's website.
- 15.2 The Council will not make available lists of businesses that have applied or that have been successful for grant payment.