

# Local Authority Discretionary Business Grant Scheme Criteria and Application Process

In recognition that some businesses did not benefit from the Small Business Grants and Retail, Leisure and Hospitality Grants, the Government has made available to Burnley Borough Council a sum of £1,215,000 (that is 5% of the amount available for the above schemes) to provide a Discretionary Business Grant scheme. The criteria and application process for the Burnley Discretionary Grant scheme are set out in this document.

## 1. Core Eligibility Criteria

The Local Authority Discretionary Grant Fund is aimed at small businesses who were not eligible for the Small Business Grant Fund or the Retail, Leisure and Hospitality Fund. Note - If your business has received a grant from one of these schemes you are not eligible to apply for a grant under the discretionary grant scheme.

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

Businesses that have applied to the HMRC Self Employed Income Support Scheme are eligible to apply to this scheme

Only businesses which were trading and in occupation of premises on 11 March 2020 are eligible to apply for funding under this scheme.

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

Businesses must be 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. The Council may ask a business to provide a copy of its payroll, as at 11th March 2020, as evidence.

Businesses will only be eligible for one grant irrespective of the number of hereditaments that they occupy.

## 2. Priority Businesses identified by government

The Government has identified the following types of businesses as priorities for this grant:

- **Businesses in shared offices, workspaces and premises** where they do not have their own business rates assessment or where it is paid by the landlord. (Note: this does not include private dwellings as these properties pay council tax and not business rates).

To be eligible businesses must have a premises lease on the 11th March of at least 12 months and occupy premises where the landlord is the liable party for business rates. The business must also be able to demonstrate that it has been impacted by the COVID 19. The grants will be assessed on a

written statement from the businesses setting out how COVID 19 has impacted on the business, together with a financial statement, prepared and signed by a qualified accountant, setting out the businesses actual and predicted income over the period 11th March 2020 to end May 2020 compared with the same period last year. Grants will be awarded between £1,000 and £10,000 will be determined by and be equal to up to four months rental payments for the three months commencing 11th March 2020. The minimum grant awarded will be £1000 and businesses with lower fixed property costs of less than £1000 will therefore not be eligible.

- **Market Traders** – all traders at Burnley Market occupy separate units with their own business rates valuation and as such should have received grants under the other schemes.
- **Bed and Breakfasts** – B&B's that have not received support through the RHL scheme will be eligible for a grant of £5,000 where they have up to six bed spaces. The business must be able to demonstrate that they have been impacted by COVID 19 and provide evidence, for example a change of use notice, or a fire certificate, that demonstrates that the property is used wholly or mainly as guest or boarding premises. The grants will be assessed on a written statement from the businesses setting out how COVID 19 has impacted on the business, together with evidence showing room bookings over the period 11th March 2020 to end May 2020 compared with the same period last year.
- **Charities** – for those charities that are currently in receipt Charitable Relief that would otherwise be eligible for small business rates relief. To be eligible the charities would need to demonstrate that their ability to operate and raise funds has been significantly affected by COVID 19 or that they have had additional pressures as a result of COVID 19. A sliding scale of grant based on rateable value (RV) is proposed as follows:
  - Up to £2,500; £1,000 grant
  - £2,501 - £5,000; £2,500 grant
  - £5,001 – 10,000; £5,000 grant
  - £10,001 - £14,999; £10,000 grant

### 3. Local Discretionary Element

Businesses meeting the following criteria and the core criteria will be eligible:

Small and Micro Businesses Occupying Premises with a Rateable Value of between £15,000 and £100,000 and operate in priority sectors or where they have experienced significant disruption:

- Manufacturing and Engineering
- Digital/Creative
- Hospitality and Leisure businesses and supply chain (not eligible under RHL)
- Professional Services
- Non-Statutory Education Services
- Construction/construction industry supply chain

Where businesses can evidence that they had to completely close as a result of COVID 19, where either trading on-line or remotely (e.g. homeworking) is not a feasible alternative they may be eligible for a grant of £25,000. These grants will only be awarded in exceptional circumstances based

on a written statement from the business setting out why they have not been able to trade together with a written financial statement, prepared and signed by a qualified accountant, setting out the businesses actual and predicted income over the period 11th March 2020 to end May 2020 compared with the same period last year.

Where businesses have been able to continue trading either from their existing premises, on line or remotely, but can provide evidence that their business has been impacted by COVID 19 as a result of: supply chain interruption, a significant reduction in demand from customers/clients, a reduction in output due to staff not being able to work, or a significant reduction in output due to the implementation of social distancing measures they may be eligible for a grant of £10,000. The grants will be assessed on a written statement from the businesses setting out how COVID 19 has impacted on the business, together with a financial statement, prepared and signed by a qualified accountant, setting out the businesses actual and predicted income over the period 11th March 2020 to end May 2020 compared with the same period last year.

Small and Micro businesses operating canal boat hire/canal cruise businesses, although not paying business rates these businesses do have fixed overheads in terms of mooring fees and boat licences. These businesses would need to demonstrate a significant drop in income compared to the same period last year and have an up to date CRT Business licence and would be eligible for a grant of £5,000.

## **4. How to Apply?**

Businesses should apply by completing the on-line application form on the Council's web site (INSERT LINK). Applicants need to ensure that they have answered all the relevant questions and submit all the supporting documentation to enable the Council to process applications.

**The last date for the submission of applications under the discretionary grant scheme is Sunday 16th August 2020. Applications will be assessed on a first come, first served basis, and once the remaining funding is fully allocated, the fund will close and no further applications accepted.**

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