

## **Appendix 1**

### **Trafford Discretionary Business Grants Fund - Criteria**

The discretionary grants fund has been announced to accommodate certain small businesses previously outside the scope of the business grant funds scheme. It is aimed at small businesses who were not eligible for the Small Business Grant Fund or the Retail, Leisure and Hospitality Fund. Local authorities are asked to prioritise businesses in shared spaces, regular market traders, small charity properties that would meet the criteria for Small Business Rates Relief, and bed and breakfasts that pay council tax rather than business rates.

#### **1. Guidance and Local Criteria**

##### **1.1 National Guidance**

Government guidance was issued on 13 May 2020 which states that the grants can only go primarily and predominantly to small and micro businesses<sup>1</sup> that:

1. Were trading on 11th March 2020
2. Are not eligible for existing grant schemes or the Self-employed Income Support Scheme
3. Employ less than 50
4. Businesses with relatively high ongoing fixed property related costs
5. Business which can demonstrate that they have suffered a significant fall in income due to the Covid-19 crisis
6. Business which occupy a property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000

Businesses which have received cash grants from any central government coronavirus related scheme, apart from the Coronavirus Job Retention Scheme, are ineligible for funding from the Local Authority Discretionary Grants Fund.

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

See below for further information on the national Discretionary Grant Fund guidance. <https://www.gov.uk/government/publications/coronavirus-covid-19-guidance-on-business-support-grant-funding?5432>.

##### **1.2 Local Criteria**

The Discretionary Fund is focused on non-franchised small/micro businesses (i.e. less than 50 employees) within the 3 categories below.

1. Small businesses in shared offices or other flexible workspaces, including units in industrial parks, science parks and incubators which do not have their own business rates assessment.

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<sup>1</sup> as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006

2. B&B's (not Airbnb) which pay Council Tax instead of business rates but are not in receipt of local authority financial support in housing vulnerable clients (homeless etc).
3. Regular market traders (ie. with a current rental agreement of no less than 6mths) with fixed building costs, such as rent, who do not have their own business rates assessment.

The Council already applies the current government Rates Relief scheme to charities operating out of retail premises.

### **1.3 Grant Amount**

To ensure that as many businesses in the borough are supported within the scope of the available funding, the following grant amounts are proposed:

- Category 1 - a grant equivalent to 1 years fixed property costs, including rent, rates contribution and service charge - up to a maximum of £5,000.
- Category 2 – a grant amount equivalent to 1 years Council Tax – up to a maximum of £5,000.
- Category 3 – grant rate of up to £1,000 linked to fixed property costs.

It is recognised that the fixed property costs of businesses in Category 1 will vary with some business paying higher fixed costs, therefore the grant rates awarded maybe reviewed following an assessment of the scheme and funding available.

## **2. Application Requirements**

Applications must provide the following information and cannot be processed if incomplete:

- confirmation that trading as of 11 March and are still a trading business
- copy of lease or licence
- copy of rental agreement
- confirmation of rental payments made and future payments to make
- confirmation of number of employees
- copy of latest statement of accounts / certified accounts
- confirmation of significant financial loss
- bank account details for payment of the grant which will be required to be in the business or business owners name
- confirmation that the business is not eligible for the existing grant schemes or Self-employed Income Support Scheme
- where applicable confirmation whether the individual is in receipt of means tests benefits as the grant could affect these benefits
- confirmation payment of the grant would not constitute State Aid

State Aid is any advantage granted by public authorities through state resources on a selective basis to any organisations that could potentially distort competition and trade in the European Union – see link to the national guidance above in section 1.1.

The Council retains the right to reclaim any grants awarded on the basis of false information or statements supplied.

### **3. Application Assessment**

The applications will then be assessed to confirm that the required information has been provided and the criteria have been met. Applications received that comply with the criteria and provide the relevant information should be approved within 14 days. A panel of three with representatives from Growth and Regulatory Services, Financial Management and Exchequer Services will ultimately determine applications to the Discretionary Fund where there is a major query as to eligibility.

Following assessment of the application the grant will either be paid or the applicant provided with a letter informing them of refusal.

### **4. Rights of Appeal**

In all cases where an organisation disagrees with the Council's decision, an appeal may be made in writing to the Corporate Director of Place within one calendar month from the date of the decision notice.

The Council is committed to the fight against fraud in all its forms and has a zero tolerance fraud policy. A business who tries to fraudulently claim a discretionary grant by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed a criminal offence. Where fraud is suspected, the Council will investigate and this may lead to criminal proceedings.

### **5. Data Sharing**

The Council will match the information provided with other information held about a business/individual whether provided by them, or anyone else. The Council may also obtain other information from third parties and give information to them to:

- make sure the information is accurate
- prevent, detect and prosecute fraud
- protect public funds

The Council will share this information with:

- Strategic Growth Team, Business Rates Team, Council Tax Team, Benefit Assessment Team and Audit and Assurance Team.
- Departments to prevent and detect fraud and to ensure it is paying the grant to the correct parties

Where individuals are in receipt of tax credits and/or other benefits which are assessed based on income, then it is their duty to notify the relevant agency immediately if they are awarded a grant as this may affect their entitlement

## **6. Payments**

Payments under the Trafford Discretionary Grants Fund will be made to successful applicants, following the approval process, by bank transfer within 14 days.