

**BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK
LOCAL AUTHORITY DISCRETIONARY GRANT POLICY**

JUNE 2020

On 1 May 2020 the government announced it was allowing local authorities to develop policies to pay discretionary grants to local businesses affected by Covid-19. These grants are to be paid from the limited amount of funding made available by central government.

Initial guidance was issued by central government on 13 May 2020, version 2 was published late on 22 May 2020 and a set of Frequently Asked Questions was published on 27 May 2020. Whilst local authorities are able to decide their own policies, government has asked that four specific types of businesses are prioritised for the grant, and has specified three mandatory criteria all applicants must meet in order to receive the grant.

As funding is limited this policy is restricted to those businesses the government has specified are a priority plus businesses the council consider to be local priorities. Full details of eligible businesses and the eligibility criteria are below.

SECTION 1: GENERAL ELIGIBILITY

Government's Mandatory Criteria:

Any business or trader wishing to claim the grant must first meet the government's mandatory criteria:

1. They are not eligible to claim a grant (regardless of whether they have actually claimed a grant) under:
 - a. The Small Business Grant Fund
 - b. The Retail, Hospitality and Leisure Grant Fund,
 - c. The Fisheries Response Fund,
 - d. The Domestic Seafood Supply Scheme,
 - e. The Zoos Support Fund, and/or
 - f. The Dairy Hardship Fund
2. They were trading on 11 March 2020 from the premises they are claiming the grant for, and
3. They were not in administration, insolvent or subject to a striking off notice either on, or since, 11 March 2020.

Additional Eligibility Criteria:

In addition to the mandatory criteria, any business or trader wishing to claim the grant must also pass the council's initial eligibility checks:

4. They are operating or trading within the boundaries of the Borough Council's area,
5. They have fixed, ongoing, property related costs,
6. They can demonstrate they have suffered a significant fall in income due to the Covid-19 crisis which has impacted their business, and
7. They are not a Precepting Authority of any local authority

Any business or trader failing to meet the criteria above is not eligible to claim a Discretionary Grant.

Only one grant is payable per business / trader under this policy.

SECTION 2: ELIGIBLE BUSINESSES – GOVERNMENT PRIORITIES

The following businesses or traders may apply for the Discretionary Grant providing they meet the eligibility criteria.

Part 1: Small Businesses Within Shared / Flexible Offices and Workspaces

The grant is payable to eligible businesses who occupy units within shared office spaces, where the owner is liable for business rates and the business does not have its own business rates liability. The grant will also be payable to certain eligible businesses who occupy units within the KLIC building.

Criteria:

In addition to the general eligibility criteria at section 1, on 11 March 2020 the business must also:

- Either:
 - Be located within a purpose built shared office space where the landlord/owner pays the business rates, so the business does not have its own individual business rates assessment, or
 - Be located within the KLIC building,
- Occupy a discrete, defined, identifiable business unit within the shared space which they pay rent for,
- Be a small or micro business as defined in the Companies Act 2006 , and
- Have an annual rent of not more than £51,000

Exclusions

The grant is not payable for shared spaces within retail, industrial, hospitality or other business use premises.

Grant Payment

Only one grant will be payable per business/person in a shared space premises or the KLIC, regardless of the number of business units they occupy within that space.

Grant Amount

£10,000 per business/person

Part 2: Regular Market Traders

The grant is payable to eligible permanent market traders who pay rent to the borough council for a pitch on the King's Lynn or Hunstanton markets, or to Downham Market Town Council for markets in Downham Market.

Criteria

In addition to the general eligibility criteria at section 1, on 11 March 2020 the trader must:

- Be a permanent, regular market trader on either the King's Lynn, Hunstanton or Downham Market markets, and
- Be liable to pay rent for a market stall as a permanent trader to the Borough Council or Downham Market Town Council

Exclusions

Casual market traders and street traders

Market traders who have a business rates liability for a storage premises where they store goods sold at markets, and who are eligible for the Small Business Grant Fund or the Retail, Hospitality and Leisure Grant Fund, are not eligible to claim the Discretionary Grant.

Grant Payment

Only one grant will be payable per trader

Grant Amount

£1,000 per usual day traded, per trader. The maximum grant is £5,000.

Part 3: Bed and Breakfast Businesses in the Council Tax list

The grant is payable to owners of eligible Bed and Breakfast accommodation whose Bed and Breakfast property is in the council tax list rather than the business rates list, typically because they have fewer than six bedspaces.

Criteria

In addition to the general eligibility criteria, on 11 March 2020 the owner must:

- Be providing Bed and Breakfast accommodation on a commercial basis from a premises in the council tax list,
- Be resident in the same accommodation as the Bed and Breakfast is provided from,
- Be regularly supplying a cooked breakfast to guests,
- Hold a current Food Safety licence / Food Hygiene Certificate, and
- Have mortgage payments for the whole accommodation of less than £51,000 per annum (£4,250 per month)

Exclusions

- Premises where a cooked breakfast is not provided.
- Premises where the owner is not also a permanent resident, for example second / holiday homes in the council tax list as they are let on a short term basis
- Composite properties, where the Bed and Breakfast accommodation is in the Business Rates list and only the owner's accommodation is in the council tax list
- If there multiple premises let for holiday accommodation on the same site registered to the same person, the Discretionary Grant is not payable if one of these premises is eligible to claim the Retail, Hospitality and Leisure Grant or the Small Business Grant

Grant Payment

The grant will only be payable for one property within the domestic curtilage.

Grant Amount

The grant amount is based on the number of bedspaces available in the accommodation for Bed and Breakfast purposes, excluding any for the owner's private use:

1 to 2 bedspaces	£1,000
3 to 4 bedspaces	£1,500
5+ bedspaces	£2,000

Part 4: Charity Properties

The grant is payable to a charity if it receives Mandatory Charity Relief and Discretionary Charity Relief, but would otherwise be eligible to receive Small Business Rate Relief or Rural Rate Relief.

Criteria

In addition to the general eligibility criteria at section 1, on 11 March 2020 the charity must:

- Meet the qualifying criteria for Small Business Rate Relief, or
- Meet the qualifying criteria for Rural Rate Relief

Exclusions

Any charity not meeting the criteria

Grant Payment

Only one grant will be payable per property per charity

Grant Amount

£10,000

SECTION 3: ELIGIBLE BUSINESSES – LOCAL PRIORITIES

Part 1: Leisure Businesses

A grant is payable to certain businesses wholly involved in the hospitality and leisure industry who directly supply the public with leisure goods or services, have a business premises they are liable for business rates for but which is not open to visiting members of the public. These do not qualify for the Expanded Retail Discount so cannot receive the Retail, Hospitality and Leisure Business Grant.

Eligibility

In addition to the general eligibility criteria at section 1, on 11 March 2020 the business must:

- Be directly involved in the hospitality and leisure industry,

- Occupy a premises shown in the business rates list for the purpose of supplying the leisure goods or services,
- Be supplying leisure goods or services directly to members of the public, and
- This premises must not open to visiting members of the public

Exclusions

Retail premises supplying general goods but without a showroom or sales counter open to visiting members of the public.

Third party suppliers who do not deal directly with members of the public.

Grant Payment

Only one grant will be payable per business, regardless of the number of premises they occupy.

Grant Payment

£10,000

Part 2: Public Houses

All occupied Public Houses qualify for the Expanded Retail Discount, or another relief of 100%, so have no business rates to pay for 2020/2021. Only those Public Houses with a rateable value of less than £51,000 are eligible for the Retail, Hospitality and Leisure Grants and Small Business Grants.

Under this policy a grant is payable to qualifying Public Houses and Premises with a rateable value of £51,000 or higher.

Criteria

In addition to the general eligibility criteria at section 1, on 11 March 2020 the premises must:

- Be shown in the business rates list as a 'Public House and Premises' or 'Inn and Premises',
- Been eligible for the Retail, Hospitality and Leisure discount, had it been in place on that date,
- Have a rateable value of £51,000 or more, and
- Have been open and trading

Exclusions

Any property not meeting the criteria including unoccupied properties

Grant Payment

Only one grant will be paid per Public House and Premises shown in the business rates list

Grant Amount

£10,000

Part 3: Hotels

Occupied hotels receive the Expanded Retail Discount regardless of their rateable value, so they have no business rates to pay for 2020/2021. However only those with a rateable value under £51,000 qualify for the Retail, Hospitality and Leisure Grant. Those receiving Small Business Rate Relief qualify for the Small Business Grant.

Occupied hotels with a rateable value over £51,000 qualify for a grant under this policy provided they meet the criteria.

Criteria

In addition to the general eligibility criteria at section 1, on 11 March 2020 the business must:

- Be shown in the Business Rates list as a 'Hotel and Premises',
- Been eligible for the Retail, Hospitality and Leisure discount, had it been in place on that date
- Have a rateable value of £51,000 or more, and
- Been open and trading as a Hotel and Premises

Exclusions

Any hotels not meeting the criteria including unoccupied premises

Grant Payment

One grant is payable per Hotel and Premises shown in the business rates list

Grant Amount

£10,000

Part 4: Day Nursery Premises

Day Nurseries qualify for a new 100% discount introduced by government in March 2020 so they have no business rates to pay for 2020/2021. However this does not make them eligible for Retail, Hospitality and Leisure grant, and they only qualify for the Small Business Grant if they receive Small Business Rate Relief.

Qualifying Day Nurseries will be paid a grant under this policy if they meet the eligibility criteria

Criteria

In addition to the general eligibility criteria at section 1, on 11 March 2020 the Day Nursery must:

- Appear in the business rates list as a 'Day Nursery and Premises',
- Have been eligible for the Day Nursery discount, had it been in place on that date, and
- Have been occupied and trading as a Day Nursery

Exclusions

Any Day Nursery not meeting the criteria including unoccupied premises

Grant Payment

Only one grant will be payable per Day Nursery premises

Grant Amount

£5,000

Part 5: Permanent Fairground Premises

A grant will be payable to the operator of any outdoor fairground premises which is permanently located on site but which has a business rates liability of over £51,000 which prevents them claiming the Retail, Hospitality and Leisure Grant. In addition a grant will be payable to operators within these sites who pay rent to the owner but do not have their own business rates liability.

Criteria

In addition to the general eligibility criteria, on 11 March 2020 the fairground must:

- Be permanently located on a site they pay rent for,
- Been eligible for the Retail, Hospitality and Leisure discount, had it been in place on that date,
- Be shown in the business rates list, and
- Have a rateable value of £51,000 or more

Operators on the site must:

- Be liable to pay rent to the site owner, and
- Be a small or micro business as defined in the Companies Act 2006

Grant Payment

Only one grant will be payable per operator, regardless of how many individual sites they occupy on the fairground.

Grant Amount

£10,000 per the site operator
£2,500 per operator within the site.

SECTION 4: DEMONSTRATING A FALL IN INCOME

To be eligible for the grant the applicant must show that they have suffered a significant fall in income due to the Covid-19 crisis, and provide evidence to demonstrate this.

We may ask for any reasonable evidence to support an application for a discretionary grant, and may decline an application if evidence is not provided.

An applicant must also explain how they will use the grant to maintain their business during this time.

Applicants should explain how the current situation has affected them, including:

- Whether they have been instructed to close by government,
- Whether they are able to continue trading in any capacity, for example online or offering takeaways,
- Whether they have furloughed staff, and
- Their plans for reopening

SECTION 5: APPLICATIONS

Businesses must complete the online application form available on the council's website to claim the Discretionary Grant. They must also supply all the evidence requested to support their application in a timely manner. We may ask for more information if necessary to validate an application, prevent and detect fraud.

We may refuse to pay a grant if the information we require is not supplied.

SECTION 6: GRANT PAYMENTS

Payment of the grant under this policy is entirely at the discretion of the borough council, and we reserve the right to refuse, pay or query any application or grant.

There is no right of appeal against our decision to pay, or not to pay, a grant.

Grant payments will only be made by bank transfer to a validated bank account. Payments will not be made unless a bank statement is provided as evidence of sort code, account number and account name.

SECTION 7: STATE AID AND TAX

The Discretionary Grant is classed as taxable income for those receiving it.

The Discretionary Grant is also classed as State Aid as follows:

- A grant of £10,000 is provided under the EU law on State Aid under De Minimis rules and those claiming the grant must declare that they have not received more than €200,00 of De Minimis aid within this financial year of the past two years
- A Grant of £25,000 is paid under the Covid-19 temporary framework for UK Local Authorities and those claiming the grant must declare that, including this grant, they have received no more than €800,000 of state aid under this framework.

SECTION 8: FRAUD AND MISREPRESENTATION

We will not accept fraudulent applications for the grant and will carry out checks to ensure all applications for grant payments are accurate. We may refuse to pay a grant if we suspect an application is fraudulent for any reason.

We will check information at the time of application, and may also carry out spot checks at a later date, including asking for further evidence and verifying information on Companies House.

We will recover any grants found to have been claimed fraudulently.

We may also share the information about applications and grant payments with other bodies as requested and allowed by law, including Her Majesty's Revenue and Customs, the Ministry of Housing, Communities and Local Government, the Department for Business, Energy and Industrial Strategy and any other government departments as required.

SECTION 9: OTHER HELP

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The council continues to work with a wide range of partners, including New Anglia Local Enterprise Partnership (New Anglia LEP) and the New Anglia Growth Hub to provide support to businesses in West Norfolk. This includes providing information and guidance about central Government support schemes, grant schemes provided by New Anglia LEP, and introductions to other specialist providers of support and information where appropriate.

Discretionary Grant Summary

Business Type	Criteria	Exclusions	Grant Payable
Shared Spaces	Occupying a space in a shared office building or the KLIC	Shared spaces that are not offices – Retail, Industrial, Hospitality	£10,000 per business
Market Traders	Permanent Trader on King's Lynn or Hunstanton markets liable to pay rent to the borough council	Casual Traders and Street Traders	£1,000 per day traded per trader Maximum grant £5,000
B&Bs	B&B accommodation in the council tax list where the owner is also resident and a cooked breakfast is provided	Holiday accommodation in business rates, B&Bs where breakfast is not provided	Based on bedspaces: 1-2 £1,000 3-4 £1,500 5+ £2,000
Charities	Charities receiving charity relief who otherwise would receive Small Business Rate Relief		£10,000 per charity
Leisure	Leisure and Hospitality businesses who directly supply the general public but do not qualify for Expanded Retail Discount	Retail supply businesses Third party suppliers	£10,000 per business
Public Houses	Occupied Public Houses receiving Expanded Retail Discount with a rateable value over £51,000, meaning they do not qualify for other grants	Unoccupied premises	£10,000 per Public House
Hotels	Occupied Hotels receiving Expanded Retail Discount with a rateable value over £51,000, meaning they do not qualify for other grants	Unoccupied premises	£10,000 per Hotel
Day Nurseries	Occupied Day Nurseries receiving the Day Nursery discount	Unoccupied premises	£5,000
Fairgrounds	Permanent fairground sites and operators on the site		£10,000 for the site £2,500 per individual operators