

Addendum

**8. Urgent Officer Decision - Rules and Guidance for
applications to Somerset West and Taunton Council's
Discretionary Business Grants Fund - To Note**

(Pages 5 - 18)

Addendum for Discretionary Business Grants Schemes



**JAMES HASSETT
CHIEF EXECUTIVE**

Addendum to item 8 on the Full Council Report 7 July 2020

Around £500k of our Discretionary Business Grant Funding remains unspent.

Consequently we have extended the eligibility criteria in consultation with the Portfolio Holder, Cllr Kravis. To enable us to quickly implement these changes the Chair of Scrutiny, Cllr Wren, has agreed to a further decision being taken under the urgency rules by the Chief Executive.

Attached as Appendix E is a copy of the decision and the full revised scheme is detailed at Appendix F.

Members are asked to note this decision.

In summary, we have widened the scheme to include wider categories of business. Whilst we have still not been able to support every business we have sought to include businesses who have contacted us, but have not been eligible under the existing schemes. Specifically the changes include extending eligibility to:

- Self-contained self-catering holiday accommodation which is subject to Council Tax (this does not include room-only) £2,500 grant
- All B&Bs (not just those registered with SWT as food premises) £2,500
- Commercial fishing Boats, charter fishing boats and Charter pleasure boat businesses based within SWT harbours £5,000
- Street traders and market operators which have consents from SWT and live within SWT - £2,000
- Taxi/private hire drivers, which are licenced with SWT – £2,000
- Mobile retailers £2,500
- Visitor information centres £7,500

We will open a further week long claims window during the week commencing 6 July 2020.

Where, after that week, we still have funding remaining eligibility will be extended to include any other business which is not assessed for business rates and which can demonstrate hardship caused by COVID 19 and where it is the sole or main source of income for the applicant and is based and operating within SWT, £2,000 grant.

The updated summary of amounts payable under the scheme is detailed below.

Business Type	Grant Award
Priority 1 applications	
Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.	£10,000

Bed & Breakfasts which pay Council Tax instead of business rates	£2,500
Regular market traders with fixed property-related business costs who do not have their own business rates assessment	£2,000
Small businesses in shared spaces - which do not have their own business rates assessment	£7,500
Priority 2 applications	
Businesses in the retail, hospitality and leisure sector with a rateable value under £15,000	£10,000
Businesses in the retail, hospitality and leisure sector with a rateable value between £15,000 and £120,000	£25,000
Registered childcare nurseries in receipt of nursery discount on their business rates bills.	£10,000
Priority 3 applications	
Businesses in other sectors with rateable values up to £120,000	£5,000
Self-contained self-catering holiday accommodation which is subject to Council Tax (this does not include room-only)	£2,500
Commercial Fishing Boats, Charter fishing boats and Charter pleasure boat businesses based within SWT harbours	£5,000
Street traders and market operators with consents from SWT	£2,000
Taxi drivers which are licenced with SWT	£2,000
Mobile retailers,	£2,500
Visitor information centres	£7,500
Priority 4 applications	
Any other business which can demonstrate hardship caused by COVID 19 and where it is the sole or main source of income for the applicant and is based and operating within SWT	£2,000

Record of Decision taken by Chief Executive/Director

Decision title: Further Extended Scheme Rules and Guidance for applications to Somerset West and Taunton Council's Discretionary Business Grants Fund

Chief Executive/Director making the decision: James Hassett

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Date of Decision: 01/07/2020

Details of decision:

The Chief Executive has approved the implementation of a further extension of the discretionary business grants scheme for Somerset West & Taunton. This decision is subsequent to his earlier decisions made on 22nd May 2020 (to approve the initial scheme) and 8th June 2020 (to widen the scope of the initial scheme).

From **1 June 2020**, the scheme initially included the following classes of businesses, which the Government has asked us to prioritise:

- Regular Market Traders £2,000
- B&Bs (registered as food businesses with SWT) £2,500
- Business in shared spaces (not paying business rates) £7,500
- Certain charities (that would have qualified for small business rates relief) £10,000

From **16 June 2020** the scheme was widened, following the Chief Executive's decision made on 8th June 2020 to include:

- Businesses in the retail, leisure & hospitality sector (with RV's up to £15,000) £10,000 and (with RVs between £15,000 and £120,00) £25,000
- Child care nurseries who qualify for the Nursery Discount £10,000
- Other businesses with rateable values up to £120,000. £5,000

This latest decision expands the scheme further so that during the week commencing 6th July 2020, the following businesses will also be eligible to apply:

- Self-contained self-catering holiday accommodation which is subject to Council Tax (this does not include room-only) £2,500
- All B&Bs (not just those registered with SWT as food premises) £2,500
- Commercial Fishing Boats, Charter fishing boats and Charter pleasure boat businesses based within SWT harbours £5,000
- Street traders and market operators with consents from SWT and live in the SWT area £2,000
- Taxi/private hire drivers which are licenced with SWT £2,000
- Mobile retailers, £2,500
- Visitor centres £7,500

Furthermore, if at the end of a further 7 days, it appears that funds will remain, this decision permits yet further widening of the scheme to permit applications from:

- Any other business, which does not have a rates assessment, and which can demonstrate hardship caused by COVID 19 and where it is the sole or main source of income for the applicant and is based and operating within SWT £2,000.

This decision has been taken in accordance with the urgent decisions provision contained in paragraph 5 of the Budget and Policy Framework of the Council's Constitution because it is not practical to convene a quorate Full Council meeting within the required timeframe. The Chair of the Scrutiny Committee, Cllr Wren, has been consulted and agrees that this decision is required as a matter of urgency and that it is appropriate for it to be made under the urgency provisions. A report will be made to the next available Full Council meeting to explain the reasons for the urgent decision.

Background:

The guidance issued by Central Government on 13 May 2020 provided funding for local authorities to make discretionary grant payments to businesses to provide financial support where they have suffered financial loss as a result of Covid 19. This guidance can be viewed at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/885011/local-authority-discretionary-grants-fund-guidance-local-government.pdf

Government prescribed elements of the eligibility criteria for this funding, but left elements of this to the discretion of individual Local Authorities. Consequently we were required to develop, publish and implement our local approach to awarding this funding. Government were also clear that their intention was for Local Authorities to very quickly design and implement schemes in order to get funding out to businesses.

Consequently we quickly developed an initial scheme in consultation with the Portfolio Holder (Cllr Kravis) and agreed with the Chair of Scrutiny (Cllr Wren) that this scheme could be signed off by the Chief Executive under the urgent decision powers. The Chief Executive's decision dated 22 May 2020 refers.

Analysis of the volume of claims received at various points has suggested that we are likely to be still left with available funding. We have therefore sought to incrementally widen the scope of the scheme in order to attract additional applications whilst ensuring we do not exceed the limited funding which the Government has made available.

The Government's intention remains for us to distribute this money quickly.

Full details of the extended eligibility criteria are set out in Appendix 1.

Reasons for proposed decision:

The scheme adopted, as detailed in the attached documents, provides an approach to awarding the discretionary grant funding that provides for:

- Our continuing the quickly distribute funding to businesses in need of financial assistance
- Ensuring the total monies awarded remain within the limited funding available
- Reasonable safeguards to ensure we target assistance to the categories specified by Government & to avoid fraudulent claims
- Is manageable from an administrative perspective
- Helps to manage the expectations of businesses & avoid unnecessary claims

Alternative options considered and rejected:

We believe the approach chosen best enables us to best target funding to the priority business identified by Government where they will meet the eligibility criteria set by Government around property related costs.

The below has been completed:	Name(s)	Date
Relevant Portfolio Holder(s) consulted	Cllr Kravis	
Relevant ward councillor(s) consulted	This potentially affects all wards & there is insufficient time to consult all Members	
The following are if appropriate / applicable: Yes/No. If yes the implications should be attached to this decision notice.		
Finance implications	No, as the proposed scheme allows us to keep the cost within the funding provided	
Legal implications	No	
Links to corporate aims	Yes, helps to support the local economy	
Community Safety implications	No	
Environmental implications	No	
Equalities Impact Safeguarding Implications	A specific EIA has not been undertaken due to time constraints for implementing this scheme. No disproportionate impacts are anticipated to affect any of the protected groups. Help will be available within this scheme to charities, which will help them deliver their mission, and will therefore be of benefit to people within some of the protected groups. There are NO safeguarding implications	
Risk management	The proposed scheme contains appropriate measures to help prevent fraud	
Partnership implications	None	

Any conflicts of interest declared by Leader or Portfolio Holders consulted on the proposed decision. If Yes provide confirmation from Chief Executive to grant dispensation for the Leader's / Portfolio Holder's views to be considered.

The Portfolio Holder, Cllr Kravis, has been consulted regarding this decision and has declared that his partner works for organisations who may benefit from these grants. I

have considered this and am happy to grant dispensation for the Portfolio Holder's views to be considered.

Financial Implication Summary

The funding for this scheme is provided by Central Government. Our scheme has been designed in a way that presents us from spending more than the allocated funding.

Central Government will be providing funding under the New Burdens funding arrangements to cover the administration costs.

Decision Maker

I am aware of the details of this decision(s), considered the reasons, options, representations and consultation responses and give my approval / agreement to its implementation.

Signed:



Name: James Hassett

Date: 1 July 2020

Note – This decision record is for decisions taken by Chief Executive/Director. The decision(s) can be implemented in accordance with the approved delegations.

Note: A copy should also be sent to the Governance Team – governance@somersetwestandtaunton.gov.uk

Rules and Guidance for applications to Somerset West and Taunton Council's Discretionary Business Grants Fund

Introduction

1. This guidance is intended to support businesses in the Somerset West and Taunton area applying to Somerset West and Taunton Council for a grant from the Local Authority Discretionary Business Grants Fund announced by the Government on 1 May 2020.
2. This guidance sets out the criteria under which businesses will qualify to make an application to the Discretionary Business Grants Fund, and the evidence required to support an application, and is aligned with the [Government guidance issued on 13/05/2020](#).
3. This is an additional fund to the [Small Business Grant Fund \(SBGF\) or the Retail Hospitality and Leisure Grant Fund \(RHLGF\)](#), and is primarily aimed at certain small businesses (and charities) who were not eligible for the Small Business Grant Fund or the Retail, Leisure and Hospitality Fund, and which have relatively high ongoing, fixed property-related costs, and which can demonstrate that they have suffered a significant fall in income due to the COVID-19 crisis.

Scope and eligibility

4. Outside of some prescribed elements, the Government guidance issued on 13/05/2020 gives the Council discretion over the grant scheme. Our decisions regarding the scheme will be final.
5. To be eligible to apply for a grant under this scheme:

For charitable organisations

- Your premises must be based within the SWT area
- The premises are used wholly for charitable purposes
- You are **not** a national charity
- Your premises must be in receipt of charitable business rates relief but would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.

For all other business types

- Your business must be one of the qualifying business types referred to on our application form
- Your business must have been trading before 11 March 2020
- Your business must be based in SWT (or you must reside and trade within SWT area in the case of regular market traders)
- Your business must have experienced at least a 20% loss of turnover since the COVID19 pandemic lockdown
- You must have fixed property related costs of at least £200 per calendar month (unless stated otherwise) relating to this business (rent, mortgage payments, business insurance, water, gas, electric, landline telephone, broadband, business rates etc)
- Businesses which have received (either directly or passed on in full or in part by their landlord) or are eligible for cash grants from any central government COVID related scheme (apart from the Self Employed Income Scheme) are ineligible for funding from the Discretionary Business Grants Fund. Such grant schemes include but are not limited to:
 - Small Business Grant Fund (scheme 1)
 - Retail, Hospitality and Leisure Grant (Scheme 2)
 - The Fisheries Response Fund
 - Domestic Seafood Supply Scheme (DSSS).
 - The Zoos Support Fund
 - The Dairy Hardship Fund

Any help you may have received in relation to the Coronavirus Job Retention Scheme (Furlough scheme) or Government backed bounce-back loan from a commercial lender will be ignored.

6. Businesses who have applied for the Coronavirus Job Retention Scheme (Furlough Scheme) **are** eligible to apply for this scheme.
7. Companies that are in administration, are insolvent or where a striking-off notice has been made are **not** eligible for funding under this scheme.
8. Precepting authorities are not eligible to apply for a grant under this scheme.
9. A maximum of **one grant payment** can be made to any individual, partnership, business or organisation under this scheme.

Our approach

10. We will administer a phased approach to the grants scheme to help manage the finite funds which have been made available for this scheme.
11. The first phase will run from 1 June 2020 until we have received sufficient applications which, in our opinion, could potentially use up the funds that are available (this is likely to be around 200 applications) or two weeks have expired whichever is the sooner.

12. In line with the Government guidelines, the first phase will include any businesses falling within the following four categories which we refer to as Priority 1 applications:

- **Small businesses in shared spaces** – The small business must not have their own business rates assessment (although there may be a rates assessment that the landlord pays for the whole property). The ‘spaces’ must be within a building which has been specifically set up to be operated by more than one business in the same space. Examples might include enterprise centres, science parks and incubators or indoor markets or hairdressing salons where seats are rented to different self-employed hairdressers. Businesses operating from home are specifically excluded.
- **Regular market traders** with fixed building costs, such as pitch licence or rental and /or storage costs who do not have their own business rates assessment. This is aimed at outdoor market traders operating from licenced market venues. ‘Regular’ traders are those which, before Covid-19 restrictions, traded five days a week or more. Traders that only traded in occasional markets (e.g. once a month) would not be considered ‘regular’. Car boot traders are specifically excluded. The market trader must have their home address within the SWT area and must trade from licenced markets within the SWT area (either in addition or not to markets in other areas).
- **Bed & Breakfasts** which pay Council Tax instead of business rates. Before Covid-19 restrictions the premises must have provided both food and accommodation to paying guests.

and;

- **Charity** properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief. National charities are specifically excluded.

13. If, after the expiry of the two week period referred to in paragraph 11, **less than** £100,000 of the funds provided by the Government for this scheme remain available, we will extend the application window for the existing scheme (i.e. Priority 1 cases described within paragraph 12) for up to a further two weeks, or until the funds are exhausted, whichever is the sooner.

14. If, after the expiry of the two week period referred to in paragraph 11, **more than** £100,000 of the funds provided by the Government for this scheme remain available, we will open the scheme to the following business types, in addition to those in paragraph 12, for a further two weeks:

Priority 2 applications:

- **Businesses in the retail, hospitality and leisure** sector with a rateable value under £15,000 which are not eligible for the Small Business Grant Fund or the Retail Hospitality and Leisure Grant Fund
- **Businesses in the retail, hospitality and leisure** sector with a rateable value of between £15,000 and £120,000 which are not eligible for the Small Business Grant Fund or the Retail Hospitality and Leisure Grant Fund
- **Registered childcare nurseries** in receipt of nursery discount on their business rates bills (this does not include childminders).

Priority 3 applications

- **Other businesses** with rateable values up to £120,000

These priority 2 and 3 businesses must not be part of national chains nor be franchises which do not operate solely within the SWT area.

15. Subject to paragraph 14 applying, we will accept applications from priority 2 and 3 businesses for a maximum period of 2 weeks from Monday 15th June 2020, although reserve the right to prevent further applications should it appear at any time the applications received are likely to exhaust the funds available.
16. During this further two week window we will process any further priority 1 applications received as well as priority 2 applications. **At the end** of this two week period, should funds remain available, we will start to process as many of the priority 3 applications we have received as remaining funds will allow, on a first come first served basis.
17. If, after all priority 3 applications received by 29th June 2020 have been processed, funds provided by the Government for this scheme still remain available, we will widen priority 3 to include the following business types, in addition to those already included within the scheme:
 - Self-contained self-catering holiday accommodation which is subject to Council Tax (this does not include room-only and must include facilities for bathing and making a hot meal which are for the exclusive use of paying guests).
 - **All B&Bs** (not just those registered with SWT as food premises)
 - **Commercial Fishing Boats, Charter fishing boats and Charter pleasure boat businesses** based within SWT harbours (for these businesses, the fixed property costs criteria is reduced to £100 per calendar month and can include mooring fees)
 - **Street traders and market operators** with consents from with SWT and live in the SWT area.
 - Self-employed **Taxi** (also called a 'Hackney Carriage') or **private hire drivers** who hold a licence to operate within Taunton Deane or West Somerset (for these businesses the fixed property costs criteria is reduced to £100 per calendar month and includes vehicle related costs excluding fuel)
 - **Mobile retailers**. This means businesses which don't operate from a property but instead sell to their customers rather than provide services.(for these businesses the fixed property costs criteria is reduced to £100 per calendar month and includes vehicle related costs, excluding fuel)
 - **Visitor information centres** based in SWT. These are businesses which primarily exist to promote tourism within SWT and provide visitors with information about the area (for these businesses the fixed property costs criteria is reduced to £0 per calendar month)

If, after a further seven days funds remains, the scheme will be extended to include any other business that is not assessed for Business Rates, which can

demonstrate hardship caused by COVID 19 and where it is the sole or main source of income for the applicant and is based and operating within SWT.

The scheme will end once all funds are used or if instructed by Government to close; whichever is the sooner.

18. All grant applications must be made using the online form made available by the Council for this purpose.
19. The Council reserves the right to vary the terms of the scheme at any time, and without notice, should it be necessary to do so.

State Aid

20. There is a requirement for all grants made under this scheme to be State Aid compliant, see [Details regarding State Aid \(para 46\)](#).

Treatment of grants for taxation and means-tested benefits

21. Grant income received by a business is taxable therefore funding paid under the Local Authority Business Discretionary Grants Fund will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.
22. Any grant awarded under this scheme should be declared as income for any means-tested benefits you may be claiming.

Grant Amounts and how payments will be made

23. The Council has access to limited funds from Government for this scheme. We are only permitted to make payments of £25,000, £10,000 and sums under £10,000. It is expected that most grant allocations made will be under £10,000.
24. In order for the Discretionary Business Grant Fund to benefit a wide number of eligible small businesses, it is proposed to issue grants as set out in **appendix A**.
25. Payments will be made directly to approved recipients' bank accounts by electronic transfer. Grants will not be paid into bank accounts of individuals where the business is a limited company and vice versa.

Other information

26. The Government and the Council will not accept deliberate manipulation and fraud - and 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.

27. 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 scheme.
28. The submission of an application does not create a right to receive a payment under this scheme.
29. For the avoidance of doubt, the total amount of grants awarded under this scheme will not exceed the funds made available to the Council for this purpose. This may mean that we decline to pay applications, even though there is an underlying eligibility to a grant, if insufficient funds remain with which to make payment.
30. Enquiries about the scheme can be emailed to:
scheme3@somersetwestandtaunton.gov.uk.

Processing your data

31. By making an application for a grant under this scheme you acknowledge and accept the following. If you do not agree to the following please do not submit a grant application.
32. The Council is responsible for carrying out checks to ensure that payments for this grant scheme are made correctly, and so will undertake checks for the purposes of preventing fraud and money laundering, and to verify your identity. These checks involve the processing of personal data about you, and this can be both before any money is paid and afterwards
33. The personal data you have provided, has been collected from you, or has been received from third parties will be used to prevent fraud and money laundering, and to verify your identity.
34. Details of the personal information that will be processed include, for example: name, address, contact details, financial information, and business details
35. The Council may also enable law enforcement agencies (or Government departments) to access and use your personal data to detect, investigate, and prevent crime
36. The Council will process your personal data on the basis that it is necessary in the public interest or in exercising official authority to prevent fraud and money laundering, and to verify identity, and to comply with the law.

Appendix A

Grant allocation under this scheme

Business Type	Grant Award
Priority 1 applications	
Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.	£10,000
Bed & Breakfasts which pay Council Tax instead of business rates	£2,500
Regular market traders with fixed property-related business costs who do not have their own business rates assessment	£2,000
Small businesses in shared spaces - which do not have their own business rates assessment	£7,500
Priority 2 applications	
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Businesses in other sectors with rateable values up to £120,000	£5,000
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Street traders and market operators with consents from SWT	£2,000
Taxi drivers which are licenced with SWT	£2,000
Mobile retailers,	£2,500
Visitor information centres	£7,500
Priority 4 applications	
Any other business which can demonstrate hardship caused by COVID 19 and where it is the sole or main source of income for the applicant and is based and operating within SWT	£2,000

