



**South
Derbyshire
District Council**

COVID-19

Non-discretionary business grants schemes

Policy & appeals process

Version 7

Version	7*
Date	2 September 2020
Amend notes v2	Addition of State Aid clarifications on Expanded Retail Discount and Nursery Discount
Amend notes v3	Clarification on State Aid - Article 2(18) of the General Block Exemption Regulation)
Amend notes v4	Council/authority run premises (Section 5)
Amend notes v5	Newly formed business (Section 8), reordering of grant amounts to section 4.
Amend notes v6	Interaction between discretionary and non-discretionary scheme in relation to unrated properties. Update in relation to discretionary scheme and potential closing date.
Amend notes v7	Scheme closure date (Section 1) and appeals post closure date (Section 18).

**The Government guidance on which this document is based has been subject to ongoing change and, as such, this document may also be subject to change. The District Council is not liable if any of the changes affect the eligibility of any business for any of the COVID-19 grants.*

1. About the grants

In response to COVID-19 measures introduced by Government, the Chancellor announced a range of business grants in March 2020.

This funding is being made available to help small, rural, retail, leisure and hospitality businesses that pay or are liable for business rates with their ongoing business costs in recognition of the disruption caused by COVID-19.

The grants are funded by Government and are distributed in South Derbyshire by South Derbyshire District Council.

The grants do not need to be paid back and are designed to help businesses cope with the impact of COVID-19.

In line with government guidance, the scheme closed on Friday 28 August at 5pm and no new applications are now being accepted, regardless of whether or not a business may have been eligible.

2. Eligible businesses

To claim a grant, a business premises must have been eligible for the following reliefs on 11 March 2020:

Small Business Grant Scheme

- Small Business Rates Relief (SBRR)
- Rural Rates Relief (RRR)

Retail, Hospitality and Leisure Grant Scheme

- Expanded Retail Discount – provided the rateable value of their premise(s) is less than £51,000

The Expanded Retail Relief Scheme has been extended to also cover bingo halls, estate agents and letting agencies.

3. Exclusions

Business premises that are not eligible for a grant include:

- Premises with a rateable value of £51,000 or more.
- Premises that are not rated/do not appear on the VOA rating list – see section 10.
- Businesses whose premises are not individually rated such as those operating out of Business Centres or Enterprise Zones – see our COVID-19 discretionary grants scheme.
- Businesses like occasional B&Bs that are not rated on the VOA rating list – see our COVID-19 discretionary grants scheme.
- Premises that do not pay business rates.
- Car parks and parking spaces.
- Premises occupied for personal use only.
- Vacant premises.
- Businesses that as of 11 March 2020 were in liquidation or dissolved.
- Any business that applies after the grant scheme expiry date (TBC).

4. About the grant amounts

Small Business Grant Scheme

If a business was eligible for Small Business Rate Relief (SBRR) or Rural Rates Relief (RRR) the grant amount is £10,000.

Retail, Hospitality and Leisure Grant Scheme

If a business was eligible for the Expanded Retail Discount (which covers retail, hospitality and leisure):

- and the business premises has a rateable value up to and including £15,000, the grant amount is £10,000.
- and the business premises has a rateable value between £15,001 and £50,999 the grant amount is £25,000.

5. About charities, nurseries and community clubs

Charities receiving Charitable Rate Relief can't be eligible for Small Business Rate Relief or Rural Rate Relief and therefore cannot be eligible under the Small Business Grants Fund*. They may be eligible under the Retail, Leisure and Hospitality Grants Fund. Such charities should complete the online form at www.southderbyshire.gov.uk/businessgrants and the Council will assess their case on an individual basis.

Properties falling within the Nursery scheme are not eligible for a grant, unless they were in receipt of Small Business Rate Relief or Rural Rate Relief as of 11 March 2020.

Community clubs that are eligible for Expanded Retail Discount (as a leisure provider) on 11 March 2020 are eligible for a grant.

Properties that had rate discounts increased to 100% using local discretion on 11 March 2020 will qualify for the Retail, Hospitality and Leisure grant. The same principle applies with charity shops, unless State Aid rules apply.

*Charities that receive 100% charity rate relief, with an RV of under £14,999, may be eligible under the COVID-19 discretionary grants scheme.

6. About council/authority facilities

Where a council/local authority (such as a parish council) runs a facility, such as a bowling green or venue for hire (village hall/assembly rooms for example), these cases will be considered on a case-by-case basis. Government guidance on the awarding of grants (see page 7 of the Government guidance) is clear and states that in line with restrictions in the Expanded Retail Discount scheme, billing authorities may not award the grant to themselves or another precepting authority.

That said, where it is clear that, whilst facilities may be owned by a council/local authority, they are run/managed independently - either by a management committee or separate entity - then they may be considered eligible for a grant.

Such applicants should complete the claim form, and provide evidence that the entities are operated separately, and their claim will be considered on a case-by-case basis.

7. About businesses that pay rates with their rent/shared spaces

Businesses with their own assessment, as per the Valuation Office Agency (VOA), should be listed as the rate payer. Businesses that pay rates as part of their rent should check www.voa.gov.uk to see if their premises is individually rated and they occupy the full space listed.

Where a business premises is individually rated and is eligible for Small Business Rate Relief, Rural Rate Relief or Expanded Retail Discount, and has a rateable value below £51,000 they may well be eligible for the grant, even if they are not currently named on the rates bill. Such businesses should fill in the online form www.southderbyshire.gov.uk/businessgrants and the Council will assess their case on an individual basis.

Businesses whose premises are not individually rated, such as those operating out of Business Centres or Enterprise Zones, are not eligible for a grant, may be eligible under the COVID-19 discretionary grants scheme.

8. About newly formed businesses

Whilst we grants are designed to support businesses that were trading as of 11 March 2020, we recognise that there are businesses in our district that were in occupation of a premises and were planning their opening during the COVID-19 shutdown, and as such their projected income will have been affected by the Coronavirus restrictions.

In these instances, we would encourage such businesses to fill in the online claim form, and we will consider their claim on a case-by-case basis. As part of this we may request further evidence to prove plans were in place to open during the COVID-19 shut-down.

9. About the business rates database

Whilst the Council works hard to ensure its business rates database is up to date and accurate, on occasion the records it holds may not be 100% up to date, particularly in relation to new businesses prior to 11 March 2020.

- Should a business contact us to tell us they are in occupation of a premises/should be listed as the rate payer, but the rates bill is not currently in their name/in the name of the landlord, the grant claim will be investigated further to determine whether the database needs to be amended and a grant awarded. This may delay/prevent a grant.
- Should a business contact us to let us know they are operating from a premises that is not on the VOA rating list and/or the business rates database, the council will report the property to the VOA (see section 10)

10. About businesses not in the ratings list

Where the council considers the ratings list to be inaccurate, and that a business should be listed, we will report it to the Valuation Office Agency (VOA).

In these circumstances:

- Where the council is confident the business premises will be listed by the VOA, and that the business/premises will be eligible for small business rate relief, rural rate relief or expanded retail discount, the Council may award a COVID-19 grant in advance of the VOA's decision in order to safeguard the economy and ensure the ongoing survival of the business during the COVID-19 lockdown and recovery.
 - This will be at the discretion of the council's Strategic Director for Corporate Resources, Finance & Corporate Services. The maximum grant the Council will award in these circumstances is £10,000. If a retail premises is later rated by the VOA, and its rateable value is determined to be higher than £15,000, the Council may top up the grant award to £25,000, provided the retail grant scheme closure date has not passed/the funds have not been exhausted.
 - If the closure date has passed then no further top up payments will be made and the local authority will bear no responsibility for this.
- Where the council is not confident the business premises will be listed by the VOA, we may encourage such businesses to apply via the Council's COVID-19 discretionary scheme (if the fund is not exhausted).
 - Should the business premises be awarded a discretionary grant, and should it be rated later by the VOA, the council may top up the difference between the discretionary grant it has received and the non-discretionary grant it would have received, had it been rated when it first applied, provided the non-discretionary grant scheme closure date has not passed/the funds have not been exhausted.
 - If the closure date has passed then no further top up payments will be made and the local authority will bear no responsibility for this.

Should a business be awarded a non-discretionary grant, in advance of the VOA's decision, and should it later not be rated, the grant will be considered to have been awarded under the discretionary scheme.

11. About claiming a grant

All businesses must complete a grant claim form and provide information including bank statements. There are no exceptions.

The form is available at: www.southderbyshire.gov.uk/businessgrants

A paper form is also available and is attached to this policy at Appendix 1.

Any business in receipt of State Aid must also submit a signed State Aid Declaration letter and their claim will not be processed until the letter is provided (see section 12).

Supporting evidence can also be emailed to businessgrants@southderbyshire.gov.uk. The Council strongly recommends businesses email applications via a free Egress account at www.egress.com (see instructions below). This will secure your email end-to-end. Businesses should quote their application reference in the email subject, so it can be matched up to their case.

How to set up a free Egress account

To set up an account, click on 'sign-up' in the top right hand of the screen (in the blue bar). Then enter your name, your email and provide the answer to two personal questions (this is in case you forget your password and can later retrieve it) and copy the security code. You will then receive an activation code to your email which you will need to copy and paste into the next screen. Once you have done this you will reach your personal Egress dashboard.

To send us the email, click on 'New secure email' under Web Access in the left-hand column. This will open up an email window for you to send us the information.

If evidence cannot be uploaded online/emailed (because it is too large or businesses do not have an electronic copy) it can be posted to: **Business Grants Team, South Derbyshire District Council, Civic Offices, Civic Way, Swadlincote, Derbyshire, DE11 0AH**. We recommend businesses send documents to us by recorded delivery. Businesses should quote their application reference on the envelope, so it can be matched up to their case. We also recommend businesses do not supply original documents as we cannot guarantee we will be able to return them due to the volume of applications we may receive.

Any business that needs assistance completing the form can request it from customer services by calling 01283 595795.

12. About State Aid

Businesses that are eligible for Small Business Rate Relief or Rural Rate Relief can only accept a grant under the Small Business Grant Scheme if in receiving it, the total State Aid the business will have received in the past three financial years will not exceed €200,000.

Businesses that are eligible for the Expanded Retail Discount Scheme* can only accept a grant under the Retail, Hospitality and Leisure Scheme if in receiving it, the total State Aid the business will have received in the past three financial years will not exceed €800,000.

State Aid includes but is not limited to Supporting Small Business Relief (this is not the same as Small Business Relief), Retail Relief, Supporting Pub Relief, shop front grants and any other grants issued to you stating they are given under State Aid. Find out more at www.gov.uk/state-aid

*For clarity, the Government has confirmed that the Expanded Retail Relief for 2020/2021 and the Nursery Discount for 2020/2021 are not considered State Aid.

Any business in receipt of State Aid must submit a signed State Aid Declaration letter and their grant claim will not be processed until the letter is provided. The letter is available online at: www.southderbyshire.gov.uk/businessgrants. It is also at Appendix 2.

The Government has also confirmed that aid may be granted to undertakings that were not in difficulty (within the meaning of Article 2(18) of the General Block Exemption Regulation) on 31 December 2019, but that faced difficulties or entered in difficulty thereafter as a result of the COVID-19 outbreak.

This aid is in addition to any aid that you may have received under the De Minimis regulation allowing aid of up to €200,000 to any one organisation over a three fiscal year period (i.e. your current fiscal year and previous two fiscal years), and any other approved aid you have received under other State aid rules, such as aid granted under the General Block Exemption Regulation. Companies who have received State Aid will be asked to confirm that their undertaking was not in difficulty (within the meaning of Article 2(18) of the General Block Exemption Regulation) on 31 December 2019.

13. About processing and fraud checks

All grant claims will be processed through a series of checks, including checks against our business rates database and checks using the Government Spotlight anti-fraud software.

The district council reserves the right to verify/put on hold any claim to enable detailed checks to be carried out.

Any suspected fraud cases will be investigated by our partners Derby City Council Anti-Fraud team.

Any business caught falsifying their records to gain a grant will face prosecution and any funding issued will be subject to claw back.

To find out how we will record, process and store your data, please read our data protection statement at www.southderbyshire.gov.uk/businessdata

14. About payment of the grant

The grant will be paid to the rate payer as of 11 March 2020.

A business that is eligible for Small Business Rates Relief or Retail Rates Relief can only claim one grant under the Small Business Grant Scheme.

A business that is eligible for the Expanded Retail Relief and has multiple premises will receive a grant for each individually rated eligible premises. Any non-eligible premises (for example with rateable values over £51,000) will not receive a grant.

Any properties falling within both the Small Business Rate Relief and Expanded Retail eligibility should be awarded one 10k grant. Businesses cannot be awarded both grants on the same property.

Please note, the grant is subject to tax.

15. About payment of the grant

Businesses that are eligible for a grant(s) will be paid directly into their business bank accounts.

Where a sole trader only has a personal account, they will be asked to confirm that the account underpins their business.

No paperwork will be issued with the grant. If claimants require grant payment documentation they should email business.grants@southderbyshire.gov.uk.

Please note the documentation may take some time to provide as we process other grants.

16. Non-eligible businesses

Businesses that complete a form but are not eligible will receive a letter to their business premises to notify them that their claim has not been successful.

The letter will detail the appeals process.

17. Declining the grant

Eligible businesses can decline the grant. If businesses decline the grant it will be removed from the business rates system. Should the business later decide to claim the grant and the deadline has passed/the fund has expired, the council will not be liable to the business for not having claimed the grant.

Any business that will exceed their State Aid de Minimis level by receiving the grant must declare it and not accept the grant. This is the responsibility of the business.

18. Appeals process

Businesses can appeal the decision made by the authority in relation to grants.

All appeals must be made in writing and sent to: Business Grants Appeals, South Derbyshire District Council, Civic Offices, Civic Way, Swadlincote, Derbyshire, DE11 0AH or emailed to business.grants@southderbyshire.gov.uk

Appeals will be considered by the Strategic Director of Corporate Resources. The decision made at appeal will be final.

Following the closure of the scheme:

If you have applied and been rejected, or if you are awaiting the outcome of a grant claim, it is possible for you to appeal until 5pm on 29 September.

All appeals must be received in advance of 5pm on 29 September 2020, in order for them to be considered and processed in advance of 30 September 2020, after which no payments can be made in line with Government guidance.

If you do not appeal by 5pm on 29 September 2020, your appeal will not be considered. If you are appealing on or near the deadline, please contact us to confirm your appeal has been received and that you have evidence to show we have received it – such as an email acknowledgement from the Council.

19. Any questions?

Email business.grants@southderbyshire.gov.uk

20. Changes to the document

The Government guidance on which this document is based has been subject to ongoing change and, as such, this document may also be subject to change. All major changes will be subject to approval by the council's Strategic Director for Corporate Resources, Finance & Corporate Services. The District Council is not liable if any of the changes affect the eligibility of any business for any of the COVID-19 grants.

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