



Grant Guidance Document for applications to:-

North Norfolk District Council's Discretionary Grant Scheme

PHASE 1

**PLEASE READ THIS DOCUMENT IN FULL BEFORE
COMMENCING YOUR GRANT APPLICATION**

**The application process for this grant will close at
23:59 27 August 2020.**

Version 3.0

Introduction

1. This guidance is intended to support North Norfolk based businesses applying to North Norfolk District Council for a grant from the Local Authority Covid-19 Discretionary Grants Fund announced by the Government on 1 May 2020.
2. The guidance sets out the criteria under which businesses will qualify to make an application, the evidence required to support an application, and is aligned with the Government guidance which has stipulated a number of key conditions and sector priorities.
3. This is an additional fund to the Small Business Grant Fund (SBGF) and the Retail Hospitality and Leisure Grant Fund (RHLGF). The Government has stated that this grant scheme is aimed at certain small businesses which were not eligible for these schemes, 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.
4. As this grant is funded by a limited pot, applications will only be accepted from businesses specified within this guidance document. Full details of eligible businesses and the eligibility criteria are outlined below.

NOTE

5. This scheme (Phase 1) was previously open for applications between 3 June 2020 and 21 June 2021. Subsequently, the scheme has been re-opened to run alongside (Phase 2) to help support eligible businesses who may have missed the original deadline. Businesses eligible for Phase 1, identified within this document (see **Scheme Outline**), should apply using the Phase 1 application form only.
6. For Businesses eligible for Phase 2, please see the Phase 2 Grant Guidance document and apply using the Phase 2 application form.
7. Businesses who were previously rejected as ineligible should not re-apply for this grant as we will not be able to re-consider your application. However, if you have received an email regarding potential eligibility under Phase 2 then please apply under that scheme, referring to the Phase 2 Grant Guidance document and using the Phase 2 application form

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Scope and eligibility

8. The Government guidance issued on 13 May gives the Council discretion over the grant scheme, and its decisions regarding the scheme will be final.
9. Under the guidance issued to the Council by the Government, it has been determined that the businesses to be prioritised for access to the funding are:
 - Small and micro businesses, as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006 (see below),
 - Businesses with relatively high ongoing fixed property-related costs, and
 - Businesses which can demonstrate that they have suffered a significant fall in income due to the Covid-19 crisis
10. To be a **small business**, under the Companies Act 2006, a business must satisfy two or more of the following requirements in a year—
 - Turnover: Not more than £10.2 million
 - Balance sheet total: Not more than £5.1 million
 - Number of employees: a headcount of staff of less than 50
11. To be a **micro business**, under the Companies Act 2006, a business must satisfy two or more of the following requirements—
 - Turnover: Not more than £632,000
 - Balance sheet total: Not more than £316,000
 - Number of employees: a headcount of staff of not more than 10
12. To be eligible to apply for a grant under this scheme, eligible businesses must:
 - Have been trading on 11th March 2020;
 - Have relatively high ongoing fixed property-related costs; and
 - They must also be able to demonstrate that they have had a significant drop of income due to Coronavirus restriction measures.
13. This grant funding is for businesses that are not eligible for other support schemes. Businesses which have received cash grants from any central government Covid-19 related scheme are **ineligible** for funding from the Discretionary Grants Fund. Such grant schemes include but are not limited to:
 - Small Business Grant Fund
 - Retail, Hospitality and Leisure Grant
 - The Fisheries Response Fund
 - Domestic Seafood Supply Scheme (DSSS).
 - The Zoos Support Fund
 - The Dairy Hardship Fund

14. Businesses which have applied for the Coronavirus Job Retention Scheme are eligible to apply for this scheme as are those which have applied to the Self Employment Income Support Scheme.
15. Companies that are in administration, are insolvent or where a striking-off notice has been made are **not** eligible for funding under this scheme.
16. Business will be eligible for **only one** grant under this scheme (not per property). If you have claimed a 'Small Business Grant' or 'Retail, Hospitality and Leisure' **on any one of your properties** (hereditaments) then you will not be eligible for this grant scheme.

Scheme Outline

17. In order to ensure all eligible businesses have the opportunity to apply for assistance through this scheme, the Council will administer an application window in which all businesses should seek to submit an application at the earliest opportunity. Applications can be made from **27 July 2020**. The application process will close at **23:59, 27 August 2020**.
18. The Council will then evaluate the applications with the intention of starting to award grant payments within the week commencing **31 August 2020**.
19. **Please do not contact us during this time unless requested to do so by a Grant Processor. Doing so will not speed up the assessment or payment process and unnecessary communication may delay the administration of the grant process.**
20. Only applications which fully satisfy the grant criteria within this document, with sufficient and satisfactory supporting evidence, will be approved for a grant award.
21. 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.
22. The Council will not approve or make payment of a grant under this scheme to a business that has already received a grant or partial grant passed on by a landlord under the Small Business Grant Scheme or the Retail, Hospitality and Leisure Grant Scheme. Businesses that have not previously been able to apply for a grant in their own right, as they do not have a separate rating assessment, may now apply to this scheme if they meet all of the eligibility criteria set out in this guidance, and have not received payments under any other Government Covid-19 related scheme (except for the Job Retention Scheme or the Self Employed Income Support Scheme).

23. This grant is intended for businesses within the following categories:

- Small businesses in shared offices or other flexible workspaces. Examples could include mills, units in industrial parks, science parks and incubators which do not have their own business rates assessment;
- Regular market traders with fixed building costs, such as pitch fees or storage costs, who do not have their own business rates assessment;
- Bed & Breakfasts which pay Council Tax instead of business rates;
- Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.
- Businesses which are wholly involved in the hospitality, leisure and events industry but do not have a business premises open to visiting members of the public.
- Public Houses with a rateable value of £51,000 or higher
- Hotels with a rateable value of £51,000 or higher, or
- Day Nursery Premises

Eligibility Criteria

24. For a business to be eligible for payment of a grant under this scheme it must fall within one of the following categories and satisfy the stated criteria. Compliance will need to be demonstrated in the information provided in the grant application.

Small Businesses within Shared / Flexible Offices and Workspaces

25. The grant is payable to eligible businesses which occupy units within shared spaces where the owner is liable for business rates and the business does not have its own business rates liability i.e. Applicant businesses will be a tenant paying rent to a landlord and it is the landlord who is paying the business rates.

Criteria:

26. In addition to the general eligibility criteria, the business must:
- 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

- Occupy a discrete, defined, identifiable business unit within the shared space which they pay rent for; and
- Have an annual rent of no more than £51,000

Exclusions

27. The grant is not payable for shared spaces within larger retail, industrial, hospitality or other business use premises.
28. Businesses will be considered ineligible where any of the directors of the applicant business are also a director of a business that is also the landlord of the premises (i.e. where you are effectively the tenant and landlord) and the landlord business have received a grant from the list identified in paragraph 13. Similarly, businesses will be considered ineligible where the landlord is part of a Group or holding company to which the applicant business is part of and where the landlord business has received a grant from the list identified in paragraph 13.

Grant Payment

29. Only one grant will be payable per business occupying a shared space premises, regardless of the number of business units they occupy within that space.



Regular Market Traders

30. The grant is payable to regular market traders which, before COVID-19 restrictions, traded on a daily/weekly basis on markets in North Norfolk. Traders that only traded in occasional markets (e.g. once a month or on a casual basis) would not be considered 'regular'.

Criteria

31. In addition to the general eligibility criteria, the trader must:
 - Be a permanent, regular market trader within an officially recognised market within a North Norfolk town;
 - Be able to provide evidence of pitch fees, storage costs and any other fixed regular cost; and
 - Where relevant hold a current Food Safety License / Food Hygiene Certificate

Exclusions

32. Casual market traders and street traders, operating from roadsides or unofficial sites or appearing only infrequently.

Grant Payment

33. Only one grant will be payable per trader.



Bed and Breakfast Businesses on the Council Tax list (not paying National Non-Domestic Rates)

34. The grant is payable to owners of eligible Bed and Breakfast accommodation whose property is on the Council Tax list maintained by the Council, rather than the 'business rates' list, typically because they have fewer than six bed spaces.

Criteria

35. In addition to the general eligibility criteria, the owner must:
- Be providing Bed and Breakfast accommodation from a premises in the council tax list on a commercial basis;
 - Be regularly supplying a cooked breakfast to guests;
 - Be registered with the Council (the establishment) and/or Food Hygiene Certificate (for key personnel).
 - Be resident in the same premises as that in which the Bed and Breakfast is provided; and
 - Have mortgage payments for the whole accommodation of less than £51,000 per annum (£4,250 per month).

Exclusions

36. Premises **where a cooked breakfast is not provided** are excluded from this policy. Premises where the owner is not also a permanent resident are also excluded.
37. Holiday lets are ineligible.

Grant Payment

38. Only one grant will be payable per property.



Charity Properties

39. 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

40. In addition to the general eligibility criteria, the charity must:
- Meet the qualifying criteria for Small Business Rate Relief; or
 - Meet the qualifying criteria for Rural Rate Relief.

Exclusions

41. Any charity not meeting the criteria.

Grant Payment

42. Only one grant will be payable per property per charity.

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Hospitality and Leisure Businesses

43. A grant is payable to businesses wholly involved in (or which supply to) the hospitality, leisure and events industry which directly supply the public with leisure goods or services, but do **not** normally have business premises 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

44. In addition to the general eligibility criteria, the business must:
- Be directly involved in the hospitality, leisure and events industry;
 - Occupy premises shown in the business rates list for the purpose of supplying the hospitality/leisure goods or services; and
 - The premises must **not** be open to visiting members of the public under normal trading i.e. pre-Covid-19.

Exclusions

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

Grant Payment

46. Only one grant will be payable per business, regardless of the number of business rates premises it occupies.



Public Houses and Premises

47. Public Houses with a rateable value of less than £51,000 are eligible for the Retail, Hospitality and Leisure Grants and Small Business Grants.

This discretionary grant scheme will be payable to qualifying Public Houses and Premises with a **rateable value of £51,000 or higher**.

Criteria

48. In addition to the general eligibility criteria, the premises must:
- Be shown in the business rates list as a 'Public House and Premises';
 - Be registered with the Council
 - Have a rateable value of £51,000 or more;
 - Have been open and trading.

Exclusions

49. Any property not meeting the criteria.

Grant Payment

50. Only one grant will be paid per Public House/Premise.



Hotels and Premises

51. Previously 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.

The Discretionary Grant Scheme will be payable for those with a **rateable value over £51,000**.

Criteria

52. In addition to the general eligibility criteria, the business must:

- Be occupied, open and trading as a Hotel and Premises (as at 11 March 2020);
- Be registered with the Council;
- Appear in the Business Rates list as a Hotel and Premises; and
- Have a rateable value over £51,000.

Exclusions

53. Any property not meeting the criteria.

Grant Payment

54. One grant is payable per hotel/premise.

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Day Nursery Premises

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

Criteria

56. In addition to the general eligibility criteria, the Day Nursery must:
- Appear on the business rates list as a 'Day Nursery and Premises';
 - Be occupied and trading as a Day Nursery; and
 - Be registered with Ofsted.

Grant Payment

57. Only one grant will be payable per Day Nursery premise.

Supporting Documents

58. In order for the application to be considered, we require businesses to demonstrate that they meet the eligibility criteria set out in this document. To support your application you will need to provide supporting evidence. This will be identified and able to be uploaded within the application form, but will include the following, as appropriate:

PLEASE HAVE ALL EVIDENCE TO HAND BEFORE STARTING THE APPLICATION FORM

All

- Bank Statements
- Evidence of fixed costs (a minimum of 2 recent statements, 1 for Market Traders)

Industry Sector

- Market Traders – permanent market licence (if applicable)
- Shared premise business – must provide evidence of occupation, for example, a service agreement or other documentation from the landlord
- B & Bs – evidence of marketing e.g. website or details of marketing of business and a current Food Safety licence / Food Hygiene Certificate,
- Pubs and Hotels - Food Safety licence / Food Hygiene Certificate
- Day Nursery Premises – latest Ofsted Report

- Other supporting evidence (if requested during the application processing)

Grant amounts and how payments will be made

59. The Government has provided a limited pot of £2.76 million to deliver a discretionary grant scheme within North Norfolk. It is expected that most grant allocations made will be under £10,000. The maximum allocation permitted of £25,000 will only be made in very exceptional circumstances.
60. It is anticipated that this grant scheme will receive a high level of applications. As grants will be drawn from a limited fund, grant awards amounts will be dictated by the volume of applications received. We will review the applications by sector type (e.g. B&Bs, Market Traders etc.) and allocate the fund accordingly.
61. The Council's intention is for this scheme to be delivered in an efficient and fair manner. As such the scheme has an application window, rather than being available on a 'first come first served' basis. We will not be able to consider applications after the application process closes.
62. The Council will aim to pay your grant via BACS once your application has been fully processed (including all supporting evidence). However, due to the anticipated high volume of applications we cannot guarantee on what date this will occur. Moreover, you should anticipate at least 3 working days for the BACS payment to reach your account.
63. Grant income received by a business is taxable therefore funding paid under this grant scheme will be subject to tax. However, only businesses which make an overall profit once grant income is included will be subject to tax.
64. 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. We will be conducting checks on your

application, including using the Government's fraud prevention tool, 'Spotlight'.

65. Should a grant be paid through Council error, we will contact you and request the return of funds.
66. The Council accepts no liability for any business or organisation who, for ANY reason, failed to make an application and therefore were not considered for a grant. Grants are awarded from money allocated to the Council by the Government. We will aim to fully allocate this to eligible businesses who have fully satisfied the criteria within the Grant Guidance. However, any underspend, should this occur, will be returned to the Government as requested and the Council will not award any grants from Council reserves under any circumstances.
67. State Aid rules and requirements apply to this grant scheme (please see **State Aid**)
68. In the case of shared premises, grants will be paid to the leaseholder (where there is one) on 11 March 2020. Where no leaseholder exists, the grants will be paid to the property owner who has proof that they were trading from the address in question on 11 March 2020.
69. In the case of charities, grants will be paid to the ratepayer for the property.
70. In the case of bed and breakfast businesses, grants will be paid to the person liable for Council Tax at the address in question.
71. 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.

State Aid

72. Although the UK left the EU on 31 January 2020, it is subject to the Withdrawal Agreement. This means that the State Aid rules continue to apply during the transition period. The Council has authority to issue discretionary grants under the De-Minimus rules and the Covid-19 Temporary Framework. It is the responsibility of the person or business receiving such aid to make sure that they do not exceed the State Aid limit of €200,000 over a 3-year period in the case of De-Minimus aid the general limit of €800,000 for the Temporary Framework aid. You must disclose any aid relevant that you have applied for or are applying for.

By submitting an application you are confirming that this business:

- was not an 'undertaking in difficulty' on 31 December 2019 as defined by GBER (2014)
- has not received any other grant awarded in support of dealing with Covid-19 that would make this application, or the award of a grant resulting from it, ineligible.

Privacy Statement

The information you provide and send to us at North Norfolk District Council will be processed in accordance with the GDPR 2016 and Data Protection Act 2018. The information processed is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the Council.

Enquiries about the scheme can be emailed to grants@north-norfolk.gov.uk