



NEW FOREST DISTRICT COUNCIL

**DISCRETIONARY GRANT FUND SCHEME -
SUPPORT FOR BUSINESSES IN THE
RETAIL, HOSPITALITY AND LEISURE
SECTOR**

1. Business Support – Discretionary Funding scheme

- 1.1 In response to the Coronavirus, COVID-19, the government announced there would be support for businesses in the retail, hospitality and leisure sectors, delivered through the Retail, Leisure and Hospitality Grant Fund. This scheme was aimed at supporting small businesses with a rateable value of up to £51,000.
- 1.2 This scheme is for local businesses located within the New Forest district that have not been eligible for the Retail, Hospitality and Leisure grant or a Discretionary Grant under our previous scheme. The scheme is aimed at businesses in the retail, leisure and hospitality sector with a rateable value between £51,000 and up to and including £75,000, and who have fixed property costs and have had a significant fall in income due to COVID-19. Section 1 of the Localism Act 2011 provides all local authorities with the vires to make these payments.
- 1.3 Following extensive publicity and the authorisation of applications received, residual funding is available. To maximise support for businesses in the New Forest this funding will be available to applicants who meet the criteria in section 4.

2. Grant amounts

- 2.1 Grants to be awarded under this scheme will be up to a maximum of £10,000. The amount will depend on the funding available and the number of applications received and only after all the applications for discretionary grants for supporting Bed and Breakfasts have been processed. In exceptional circumstances, and when considering our priorities in 5.2, the council may use its discretion to award a grant amount of £25,000.

3. Application period

- 3.1 Businesses must complete an online application form and submit their supporting information to apply for the grant which will be available on the council's website for 2 weeks.

4. Eligibility criteria

- 4.1 Business must adhere to the following criteria to be applicable for the grant:
- Be trading on 11 March 2020
 - Not be in administration, insolvent or a striking-off notice has been made.
 - Occupy a property in the New Forest district
 - Be eligible for the business rates expanded retail discount

- Be a business rates payer on 11 March 2020 and have a rateable value of between £51,000 and up to and including £75,000.
- Able to provide evidence of substantial loss of income due to COVID-19 impact (via comparative year-on-year bank statements) for the business property located in the district
- Able to evidence total monthly fixed property overheads, such as rent or mortgage, electricity, gas and water)
- Not go over state aid limits (see state aid limit below)
- Only one grant per business regardless of properties
- Agree to ensuring that any discretionary grant funding given is used to specifically support the business located in the New Forest
- Businesses which are part of national chains or franchises will not be eligible for funding

5. Priorities

5.1 As highlighted in 2.1, as funds are limited, New Forest District Council will prioritise applications from businesses whose head office or only business is based in the New Forest in order as follows:

1. Local, independent business linked to the hospitality sector including but not limited to public houses, bars, hotels, restaurants and cafes.
2. Agricultural nurseries
3. Retail premises
4. Business related to leisure and fitness

5.2 Our priorities

1. We will prioritise businesses with more employees over those with less to reduce the unemployment effect if the business was to close.
2. We will prioritise local businesses that are at risk of ceasing to trade due to COVID-19

6. Applications and payment

6.1 An application form must be completed, with the supporting information, to access the grant.

6.2 All applications will be reviewed and checked against the information provided (evidence of substantial loss in income sustained). All applicants will be notified of our decision whether to award a grant decision, and where it is not awarded, we will provide an explanation.

6.3 All payments will be made via BACS (as soon as practicable after the closing date) and the business must provide bank details for payment.

7. Funding

7.1 The fund is limited therefore once the funding has been distributed there will be no additional grants paid

8. Tax

8.1 Grant income received by a business is taxable therefore funding paid under the Local Authority 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.

9. State Aid

9.1 The United Kingdom left the EU on 31 January 2020, nonetheless under the Withdrawal Agreement the State aid rules continue to apply during a transition period, subject to regulation by the EU Commission. New Forest District Council must be satisfied that all State aid requirements have been fully met and complied with when making grant payments, including, where required, compliance with all relevant conditions of the EU State aid De-Minimis Regulation, the EU Commission Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak, the approved COVID-19 Temporary Framework for UK Authorities, and any relevant reporting requirements to the EU Commission.

9.2 New Forest District Council have a discretion to make payments to eligible recipients under either the De Minimis rules or the COVID-19 Temporary Framework for UK Authorities (provided all the relevant conditions are met).

9.3 Payments of up to and including £10,000 can be provided under the De Minimis rules, meaning applicants can receive up to €200,000 of aid within a three-year period. Payments of up to and including £25,000 (or where the De Minimis threshold has been reached) should be paid under the COVID-19 Temporary Framework for UK Authorities.

10. Fraud

10.1 The council will not accept deliberate manipulation and fraud - and any business caught falsifying their records to gain a discretionary grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error. All applicants' information will be shared with the Government Grants Management team to enable any fraud to be identified. All businesses will confirm this by on the online form.

11. Decisions and appeals

- 11.1 There are no appeals rights for the discretionary grant, the Council's decision on eligibility and grant amount is final. The council may use discretion to award a different grant amount to those stated above depending on the number of grants received and where it considers appropriate to enable the council to support more businesses.
- 11.2 The Service Manager for Revenue and Benefits reserves the right to make minor changes to this scheme as necessary in consultation with the Portfolio Holder for Finance, Investment and Corporate Services, and Portfolio Holder for Economic Development.