



**NORWICH**  
City Council

# Norwich City Council

## Local Authority

## Discretionary Grants Fund

## Scheme

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# Norwich City Council Scheme for the Discretionary Grants Fund

## Introduction

The Government has provided local authorities with additional funding to target small businesses with high fixed property related costs but were not eligible for either the small business grant or the retail, hospitality and leisure grant. The [government's guidance](#) was published in May 2020.

The scheme is discretionary to allow local authorities to use their local knowledge and discretion but there are some national criteria set by the Government. Norwich City Council has been given £2,032,000 and will prioritise those businesses that meet the Government's criteria. As this fund is limited, we closed the scheme to new applications on 30 June 2020.

All applications have been assessed and sufficient funding is still available to enable the council to reopen the scheme to new applicants only until 5:00pm, 21 August 2020.

The Government's guidance is that funding is primarily and predominantly aimed at:

- Small and micro businesses<sup>1</sup>
- Businesses with relatively high ongoing fixed property-related costs
- Businesses that can demonstrate that they have suffered a significant fall in income due to the COVID-19 crisis
- Businesses that occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000.

Priority will be given to the following:

- Small business in shared offices or other flexible workspaces e.g. units in industrial parks, science parks, incubators this includes professions such as hairdressers or nail technicians that do not have their own business rates assessment
- Regular market traders with fixed building costs, such as rent, who do not have their own business rates assessment
- Bed & breakfasts which pay council tax instead of business rates: and
- Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for small business rates relief.

Norwich City Council will accept applications from any local business who was not able to apply for the small business or retail, hospitality and leisure grants and meet the following criteria:

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<sup>1</sup> [S33 part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006](#)

- Has relatively high ongoing fixed property-related costs for business premises (not domestic premises, except Bed and Breakfasts) of £100 per month or more
- The annual rent, lease or mortgage costs for the business premises are £51,000 or less
- Can clearly demonstrate a significant fall in income due to Covid-19

Any grant award will be limited to one per business.

## **Eligibility**

This funding will only be available to businesses that are not eligible for other support schemes including:

- The Small Business Grant Fund
- The Retail, Hospitality and Leisure Grant Fund
- The Fisheries Response Fund
- Domestic Seafood Supply Scheme
- The Zoos Support Fund
- The Dairy Hardship Fund

Businesses that have applied for the Coronavirus Job Retention Scheme are eligible to apply.

Businesses must have been trading from the premises they are claiming for on 11 March 2020 to be eligible for this scheme.

Companies in administration or are insolvent including where there has been a striking off notice will not be eligible to apply for assistance under this scheme.

## **Businesses in shared offices or other flexible workspaces**

Grants will be paid to businesses that pay an all-inclusive rent to their landlord/agent that do not have their own business rates account but occupy a space that was part of a larger business rate assessment on 11 March 2020.

To qualify for any funding under this scheme businesses must:

- operate from single premises or one or more spaces in a single shared premises. i.e. it must not have multiple sites (with some exceptions, in line with the eligibility rules for Small Business Rate Relief); and
- be able to demonstrate that they have seen a significant fall in income due to Covid-19 restriction measures. The Council will ask the business to give a signed written statement of the impact on its financial position of Covid-19, including an indication of how this financial position could be demonstrated if needed, for example, reference to order books, management accounts or bank statements. The business should include a description of what goods or services it offers and therefore what the impact of Covid-19 has been. For example, where a business has been required to close under social

distancing requirements, this should be stated. The Council will withdraw the funding if a falsified statement is made.

A grant will not normally be payable to a subsidiary company that occupies premises if a parent company or another part of the group is liable for payment of the business rates.

Discretion may be applied in exceptional circumstances and where the subsidiary is not primarily financed by the parent company.

Businesses sharing a larger rateable space that was in the business rates list on 11 March 2020 but not eligible for Small Business Support Grant Funding can apply for a grant under this scheme.

Evidence will be required with each application to prove occupation of the premises on 11 March 2020, e.g. a lease, tenancy or service agreement and proof of payment of the rent shown, evidence that the business was trading from the premises on 11 March 2020; other evidence may also be submitted or requested to support the application.

Grants will be based on the annual rent paid to the agent/landlord as follows

6-months rental will be paid, rounded up to the nearest £500. The minimum grant will be £1,000 with a maximum grant of £10,000.

e.g, if the rental or licence fee was £500 per month the grant would be £3,000  
if the rental or licence fee was £525 per month the grant would be £3,500

### **Regular market traders**

The council will accept applications for a grant for those businesses who held a current licence for a pitch and were registered with the council on 11 March 2020

Grants will be £1,000 for each day of the week the pitch is traded and capped at £5,000 as follows:

1 day per week - £1,000

2 days per week - £2,000

3 days per week - £3,000

4 days per week - £4,000

5 or more days per week - £5,000

## **Bed and Breakfast businesses who pay council tax**

As a bed and breakfast property is also a residential property previous grant schemes did not apply.

Grants will be paid to businesses where the bed and breakfast is the business owner/s main residence as follows:

2 bed spaces - £1500

3 or 4 bed spaces - £2500

5 bed spaces - £3500

Bed and breakfast businesses must hold a current food safety licence with Norwich City Council, to prove that breakfast is regularly served to guests.

To qualify for this funding evidence will need to be submitted with the application to prove that they operated as a Bed and Breakfast on 11 March 2020 and have been affected by Covid-19 e.g. links to websites, advertising materials, evidence of future bookings that have been cancelled as a result of Covid-19.

## **Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for small business rates relief**

The small business grant could not be awarded to charities that were made ineligible as they were in receipt of charitable relief. Under this scheme, where they have a rateable value of less than £15,000 and do not have multiple premises a charity can apply for a single grant of £10,000.

The council will use its discretion for assistance to businesses in the cultural, creative and technical sectors if there is sufficient funding remaining once the Government's priorities have been addressed.

## **Local businesses**

The business must be a local business that is wholly or predominantly based in and around the Norwich district.

The amount of any award will be dependent on the funding remaining after the priority categories. Priority over remaining funds will be given to businesses in the culture, digital and tech industries, local medical services (e.g. vets, dentists, osteopaths and chiropractors) and businesses in the retail, hospitality and leisure sector or who predominantly supply to this sector. By exception, local businesses with fixed property costs over £51,000 and meeting the local priorities will also be considered eligible.

There is no right of appeal on this scheme and the council's decision is final.

## State aid

Following the outbreak of the Coronavirus, the European Commission has approved schemes to aid businesses affected by the Coronavirus outbreak on the basis of their Temporary Framework, including the COVID-19 Temporary Framework scheme for the UK.

The maximum level of aid that a company may receive is €800 000 (€120 000 per undertaking active in the fishery and aquaculture sector or €100 000 per undertaking active in the primary production of agricultural products). This is across all UK schemes under the terms of the European Commission's Temporary Framework. The Euro equivalent of the Sterling aid amount is calculated using the Commission exchange rate<sup>2</sup> applicable on the date the aid is offered. <sup>2</sup> [https://ec.europa.eu/info/funding-tenders/how-eu-funding-works/information-contractors-and-beneficiaries/exchange-rate-infoeuro\\_en](https://ec.europa.eu/info/funding-tenders/how-eu-funding-works/information-contractors-and-beneficiaries/exchange-rate-infoeuro_en)

Any aid provided under this scheme will be relevant if you wish to apply, or have applied, for any other aid granted on the basis of the European Commission's Temporary Framework. You will need to declare this amount to any other aid awarding body who requests information from you on how much aid you have received. You must retain this letter for four years after the conclusion of the UK's transition from the EU and produce it on any request from the UK public authorities or the European Commission.

Aid may be granted to undertakings that were not in difficulty (within the meaning of Article 2(18) of the General Block Exemption Regulation<sup>3</sup>) 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 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.