

Frequently Asked Questions

Discretionary Small Business Support Grants

The information contained in these FAQs may be subject to change upon further updates or clarification being provided by central government.

Q1. What is the Discretionary Small Business Support Grants?

The government is providing further Funding to the existing Business Support Grants.

The Discretionary Grant is for small and micro businesses that were previously outside the criteria of the business grant funds scheme. This is administered by local authorities under the guidance provided by government as well as discretion to each local authority to develop local schemes.

Q2. What businesses are eligible for the Small Business Discretionary Fund?

The four West of England councils (Bath & North East Somerset Council, Bristol City Council, North Somerset and South Gloucestershire Council) have aligned with government priorities and types of businesses below will benefit from the Fund:

- Small businesses in shared offices, or other flexible workspaces. For examples 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 rent, 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 Rate Relief or Rural Rate Relief.

Q3. What other businesses can apply for the Discretionary Small Business Support Grant?

We have also included a local discretion to consider a small number of businesses that meet the eligible criteria of the scheme but do not fall into the categories detailed above. For Cohort 3, South Gloucestershire Council has decided to extend the eligibility criteria to include those businesses that operate from a residential premise.

Therefore, you may still apply if your business is not on the list above but it does fall into one of the following categories:

- Independent businesses – those that are not eligible for Small Business Rate Grants due to payment to a landlord of all-inclusive rent, or that operate from a residential premise.
- Charities and Community organisations – those not eligible for Small Business Rate Grants due to payment to a landlord of all-inclusive rent.
- Childcare nurseries – those with a rateable value over £15,000 who will not have received business support grants to date, or that are not eligible for Small Business Rate Grants due to payment to a landlord of all-inclusive rent.

Q4. How much funding can a business receive?

We intend to support as many businesses as possible with this Fund. The value of the payment to be made to a business is at the discretion of the local authority. Across the four West of England councils, the maximum funding amounts for each business category are listed below:

Business category	Funding amount
<p><u>Charities and community organisations:</u></p> <p>In receipt of mandatory charity rate relief - based on the billing authority's records of the position as at the 11 March 2020 with a property that has a rateable value of up to and including £15,000</p>	<p>One grant only of £5,000</p>
<p><u>Shared/flexible workspaces:</u></p>	<p>A grant of £2,500</p>

<p>Agreement must have been signed before 11 March 2020 and those with not more than 10 employees.</p>	
<p><u>Shared/flexible workspaces:</u></p> <p>Agreement must have been signed before 11 March 2020 and those with 11 - 49 employees</p>	<p>A grant of £5,000</p>
<p><u>Market/Street traders:</u></p> <p>Based on the agreement / licence signed prior to 11 March 2020.</p>	<p>One grant only to a value equivalent to the fixed payment associated with using a pitch or property as outlined in the agreement / licence. A maximum grant of £2,500</p>
<p><u>Bed & Breakfasts and guest houses:</u></p> <p>based on the billing authority's records of the position as at the 11 March 2020 will receive a grant to a value equivalent to the 2020/21 Council Tax liability</p>	<p>A grant to a value equivalent to the 2020/21 Council Tax liability. A maximum of £2,500.</p>
<p><u>Independent businesses:</u></p> <p>those that are not eligible for Small Business Rate Grants due to payment to a landlord of all-inclusive rent or operate from a residential premise.</p>	<p>Up to a maximum value of £5,000</p>
<p><u>Charities and Community organisations:</u></p> <p>those not eligible for Small Business Rate Grants due to payment to a landlord of all-inclusive rent</p>	<p>Up to a maximum value of £5,000</p>
<p><u>Childcare nurseries:</u></p> <p>those with a rateable value over £15,000 who will not have received business support grants to date, or that are not eligible for Small Business Rate Grants due to payment to a landlord of all-inclusive rent.</p>	<p>Up to a maximum value of £5,000</p>

Q5. What criteria does my business need to meet?

If your business meets all of the following eligibility criteria, you could be eligible for a grant:

- ✓ Businesses with their premises location within the South Gloucestershire region (you can [check the postcode of where your business is trading](#) to see if South Gloucestershire Council is your local council).
- ✓ Businesses not entitled to a grant under the original business support grant schemes, or any other Grant awarded in support of dealing with Covid-19.
- ✓ Businesses with a total number of employees not exceeding 49 (a person who has received remuneration via your payroll system in the last 6 months (up to March 11) and who have a contract of employment)
- ✓ Businesses which occupy property, or part of a property, with annual rent or mortgage payments below £75,000.
- ✓ Businesses that were trading (active in buying/selling goods or services; excludes activities undertaken for the purposes of acquiring or setting up a proposed new trade) on 11 March.
- ✓ Businesses with ongoing fixed building-related costs e.g. rent, mortgage, service charges and Council Tax.
- ✓ Businesses which can demonstrate that they have suffered a significant fall in income (including online activity) due to the Covid-19 crisis.

Q6. When can I apply for the Small Business Discretionary Fund?

You can apply from Wednesday 29 July to Wednesday 12 August (12pm).

Q7. When will grant payments be made?

Eligible businesses can expect a grant payment issued to them from w/c 24 August.

Q8. Will the grant be subject to tax?

Grant income received by a business is taxable therefore the Discretionary Fund grants will be subject to tax.

Only businesses making an overall profit once grant income is included will be subject to tax.

Q9. How is the Discretionary Fund criteria established?

The overall Discretionary Fund criteria has been determined by government. However local authorities have been given some limited discretion to specific local circumstances and needs for its local economies.

To support as many businesses across the West of England region, we have worked alongside the West of England Authorities - Bath & North East Somerset, Bristol City, North Somerset and South Gloucestershire Council's and developed a regional policy to provide specific support to essential businesses based across the West of England region.

For our final Cohort (3), South Gloucestershire Council has extended the definition of fixed property costs to include residential premises for those home-based businesses that are able to demonstrate significant loss of income as a result of Covid-19.

Q10. What information do you need from me to complete the application?

The application includes questions on:

- Business type/sector and use of property
- Number of employees
- Company registration number
- Charity number
- VAT registration number
- Business rate account number or Council Tax account number
- Lease, rental, license agreement or mortgage statement
- Photo ID of applicant who must be company director/ liable for party for lease agreement or named charity secretary
- Evidence of how the business has been detrimentally financially impacted by Covid19, this could include a short statement supported by:
 - o Income & Expenditure Accounts certified by an Accountant or Financial Advisers (if available)
 - o Business Bank Statement; three months from February to May 2020 and/or corresponding period from 2019
- Declaration as to State Aid
- Bank details for payment
- Email or correspondence address
- Declaration of accuracy and consent to use the data for wider verification

In addition, we also require specific evidence from businesses listed below:

- Charities and community organisations in receipt of mandatory charity business rate relief
 - o Business rate account number
- Shared/flexible workspaces
 - o Signed Lease, Rental or License Agreement
 - o Snapshot of Payroll / personnel records

- Market / Street Traders
 - o Signed Lease, Licence, Rental or Concession agreement

- Bed & Breakfasts and guest houses
 - o Council Tax account number
 - o Mortgage statement
 - o Food Safety registration

Q11. Who signs off the grant?

The Local authorities within the region have discretion as to the prioritisation of all applications received. This is based on local economic need and subject to the availability of funding.

Q12. Can I apply for the Discretionary Funding to more than one West of England Council?

You should only apply for funding to one council. The Discretionary Funding criteria has been agreed across all four West of England unitary authorities. Eligible charities and businesses across the region will only be entitled to one grant across the whole West of England region. Each authority will collaborate when assessing and awarding its proportion of the Discretionary grants.

Q13. Who is not eligible for the Discretionary Fund?

Any business that is eligible for other grants from the government as a result of Covid-19 support programs are not eligible to apply for funding from the Discretionary Grant.

Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers) are excluded from the scheme.

Q14. How will you prioritise who gets a grant?

The council expects the fund to be oversubscribed and has determined that it would like to prioritise support using the following 4 principles:

1. Severity of impact (% reduction of earnings / turnover) - gross amount earned less expenses incurred for the Covid-19 period represent a significant e.g. > 80% fall in net income.
2. Longevity of restrictive activity - businesses that have and will continue to be completely closed or unable to trade online during the restricted period.
3. Ability to rebound following lifting of restrictions e.g. ongoing viability / going concern / ability to get back to 'normal' turnover within 6 months of restrictions being lifted.

4. Size of the business e.g. annual turnover less than £2m / number of employees 49 or less, however micro business (0-9 employees) will be prioritised subject to points 1 to 3 above being met.

Q15. Can I appeal against or challenge the grant decision for my business?

The government have not set out a specific appeal process for the Discretionary Fund and they have determined that it is up to each local authority to decide how to structure and prioritise eligible grant applications received based on their own economic need. Economic priorities may vary across the region and the local authority decision will be final.

As the local authority decision is final any appeals must be made through the existing South Gloucestershire council complaints process. To lodge a challenge or appeal you can visit this page www.southglos.gov.uk/council-and-democracy/complaints however we would strongly encourage you to explore any other available government or council led funding programs that your business may be eligible for prior to any challenge, for further information on available funding programs please visit www.southglos.gov.uk/businessinfo